



ANNUAL REPORT 2024



Safeguarding Futures:
Strengthening Families
Through Microinsurance

2024 ANNUAL REPORT

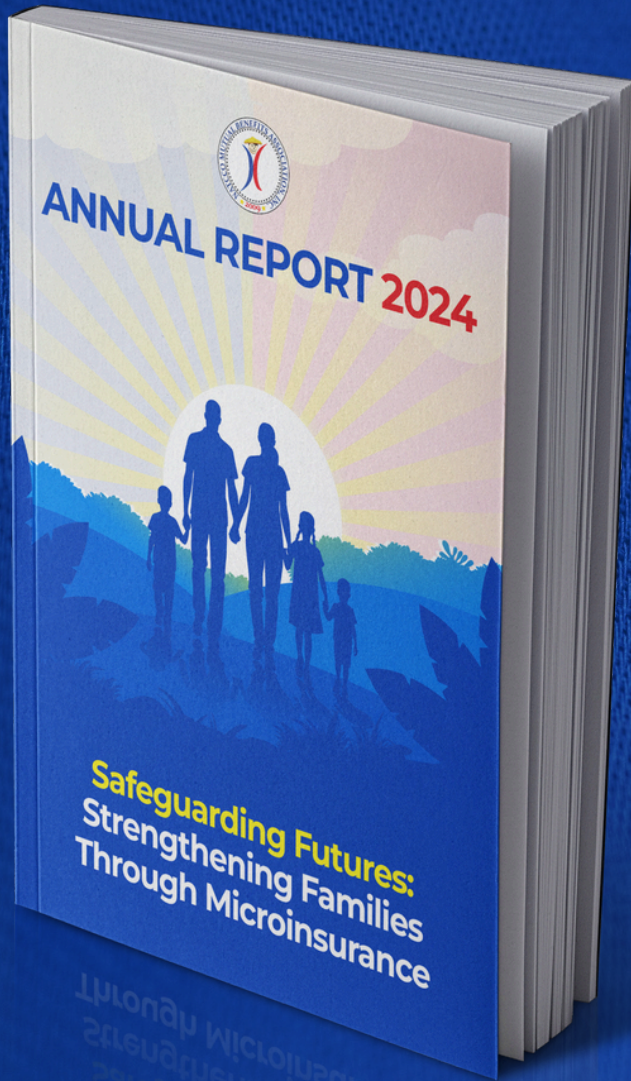
Safeguarding Futures: Strengthening Families Through Microinsurance

About the Cover	02
Vision, Mission, Core Values	03
Notice of the 14th (2025) Annual Meeting	04
Minutes of the 13th Annual Meeting	08
Board and Management Report	30
Operations Highlights	45
Corporate Governance	47
Treasurer's Report	64
Committee Reports	66
Corporate Governance Committee	67
Audit Committee	70
Product Review and Development Committee	74
Investment Committee	77
Marketing Committee	79
MIS Committee	82
Policy Review Committee	85
Organizational Chart	87
2024 Board of Trustees	89
2024 Officers	94
Board Secretary	97
Compliance Officer	98
Management Team	99
2024 Activities	101
Partner Institutions	113
2024 Audited Financial Statements	117

ABOUT THE COVER



SAFEGUARDING FUTURES: Strengthening Families through Microinsurance



As the sun rises, so does the hope of a better tomorrow, a future where every Filipino family is protected, empowered, and secure.

At NATCCO MBI, we are more than just insurance; we are a beacon of stability, a partner in resilience, and a lifeline for those facing life's uncertainties.

The **sun's rays** represent our mission to bring security and peace of mind to Filipino families across the country. Just as the sun shines over every home, we continue to expand our reach, from cooperatives to associations and registered groups.

At the core of our work is **family**— the very people we serve: hard working parents, loving grandparents, and children who deserve a future free from financial burdens. Whether in times of loss, illness, or unexpected hardships, our insurance solutions provide more than just financial support; they offer security, strength, and hope for every Filipino household.

By partnering with trusted providers, we've expanded beyond life insurance to offer affordable non-life coverage— protecting homes, businesses, and livelihoods. Because true security isn't just about today; it's about building a strong foundation for the generations to come.

To every Filipino family, you are the reason we move forward.

Your trust fuels our commitment. Your dreams shape our vision. And your future is why we continue to innovate, grow, and reach more communities.

TOGETHER, WE RISE
TOGETHER, WE BUILD A FUTURE
where every Filipino family is
PROTECTED, PREPARED and EMPOWERED

VISION

**300,000 – STRONG
MBA BY 2025**

MISSION

**WE PROVIDE FAMILY
PROTECTION AND MEMBER'S
SECURITY THROUGH
INSURANCE SERVICES.**

CORE VALUES

INTEGRITY

We are uncompromising in upholding governance and ethics, living with utmost integrity in our daily life and deserving of our members and partner's trust.

COMPASSION

We serve our partners, members, and their families with a heart. We take care of our employees and our employees are loyal to the company.

EXCELLENCE

We provide service of the highest standards and with accountability. We are always looking for innovative ways to ably respond to the needs of our members and partners.

TEAM WORK

Our team is united towards one goal, working in harmony, and supportive of each other when facing challenges.

NOTICE OF THE 14TH ANNUAL MEETING



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance



April 30, 2025

To: BOARD OF TRUSTEES, OFFICERS, PARTNER-COOPERATIVES and MEMBERS

Notice of NATCCO MBI's 14TH Annual Meeting:

Notice is hereby given that the **14th Annual Meeting of the National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc.**, will be held on **May 30, 2025, Friday, 8:00 AM**, at the **Richmonde Hotel Eastwood**, Eastwood City, 17 Orchard Rd, Quezon City.

ORDER OF BUSINESS

1. Call to Order
2. Declaration of quorum
3. Approval of the Agenda
 - 3.1. Considerations of the Minutes of the 2024 Annual Meeting, dated May 31, 2024
 - 3.2. Matters arising from the Minutes of the 2024 Annual Meeting, dated May 31, 2024
 - 3.3. Annual Reports
 - 3.4. New Business
 - 3.4.0. Presentation of 2025 Plans and Budget
 - 3.4.1. Election
 - 3.4.2. Appointment of External Auditor
 - 3.5. Other Matters
4. Adjournment

NATCCO MBI

3rd Floor, 227 JP Rizal Street, Project 4, Quezon City 1109 /

Tel: 0998-5946712; (02) 8962-3408 / Email: natccombai@nmbainsurance.com



NATCCO MBI

**Safeguarding Futures:
Strengthening Families Through Microinsurance**



Please confirm your attendance at 0998-594 6712 or through the following:

NATCCO MBAI Nomination Committee Secretariat

Snail Mail : 3/F NATCCO Bldg., #227 JP Rizal St., Project 4, 1109 Quezon City

Email : nmbai.annualmeeting@gmail.com / natccombai@nmbainsurance.com

FB Messenger : <https://www.facebook.com/messages/t/100010624025995>

Cooperatively yours,

Mildred C. Cerezo
Board Secretary

Description of the Order of Business

1. **Call to Order.** The Presiding Officer will call the meeting to order.
2. **Roll Call and Determination of Quorum.** The Board Secretary will determine the number of attendees, whether in person or by proxy, for the purpose of determining the presence of quorum to validly transact business. A simple majority (51%) of the voting membership will constitute a quorum.
3. **Approval of the Agenda.** The Presiding Officer will read the agenda and will ask the Members for their approval.
 - 3.1. **Considerations of the Minutes of the 2023 Annual Meeting dated May 31, 2024.** A copy of the minutes is available at the website of NATCCO MBAI,

NATCCO MBAI

3rd Floor, 227 JP Rizal Street, Project 4, Quezon City 1109 /

Tel: 0998-5946712; (02) 8962-3408 / Email: natccombai@nmbainsurance.com



NATCCO MBAI

Safeguarding Futures:
Strengthening Families Through Microinsurance



(<https://www.natccombai.com>). Members will be asked to approve the minutes and acknowledge the completeness and accuracy thereof.

- 3.2. **Matters arising from the Minutes of the 2024 Annual Meeting dated May 31, 2024.** The Presiding Officer will present updates on the matters raised during the 2024 Annual Meeting.
- 3.3. **Unfinished Business.** The Presiding Officer will present the unfinished business, if any, to the members.
- 3.4. **Annual Reports.** Reports of committees and ratification of the Board and Management actions, including the 2024 Audited Financial Statement.
- 3.5. **New Business.**
 - 3.5.1. **2025 Plans and Budget.** The 2025 Annual Plans and Budget will be presented to the Members;
 - 3.5.2. **Election of the Board of Trustees.** The term of two (2) Regular Board of Trustees and one (1) Independent Trustees will expire in May 2025. To prepare the Members for the election, the Corporate Governance-Nomination Committee will:
 - Present the nomination and selection procedures, and the online election guidelines;
 - Present the candidates;
 - Proclaim the winners
 - 3.5.3. **Appointment of External Auditor.** The appointment of External Auditor for the year 2025 will be presented to the Members for approval.
- 3.6. **Other Matters.** If any, will be discussed during the Annual Meeting.

4. Adjournment

NOTE:

The NMBAI Internal Auditor is still in the process of coordinating with external audit service providers at the time of release of this Notice of Meeting. Once audit proposals are received, the same shall be processed and recommendation will be submitted to the Board of Trustees, through the NMBAI Audit Committee.

NATCCO MBAI

3rd Floor, 227 JP Rizal Street, Project 4, Quezon City 1109 /
Tel: 0998-5946712; (02) 8962-3408 / Email: natccombai@nmbainsurance.com



NATCCO MBAI

Safeguarding Futures:
Strengthening Families Through Microinsurance

MINUTES OF THE 13TH ANNUAL MEETING



Minutes of the NATCCO MBI 2024 13th Annual Meeting

Theme: "Fostering Inclusivity and Unity Through Microinsurance"

May 31st, 2024

Golden Phoenix Hotel Manila

10:50am-4:02pm

Attendees:

NAME	REPRESENTATION	PROXY VOTES
ADOLFO A. IBAÑEZ	1. REGIONAL AND CENTRAL COMELEC EMPLOYEES MPC	403
AILEEN A. PITOGO	1. SOUTHERN NEGROS MULTI-PURPOSE COOPERATIVE (SONEMPCO) -KABANKALAN	303
ALMA VINLUAN	1. NATCCO NETWORK - MICOOP EMPLOYEES 2. NATCCO NETWORK	215
ANAMIE VILLEGAS IBANO	1. LICO AGRARIAN REFORM COOPERATIVE	454
ANGEL P. GARCIA, JR.	1. TALOY FARMERS MULTI PURPOSE COOPERATIVE	6,093
ARLYN L. LAURILLA	1. TUMALALUD FARMERS MULTI-PURPOSE COOPERATIVE	895
RAUL M. CALAYAN, JR.	1. INCORPORATOR	157
CECILE B. MAGALANES	1. KAUSWAGAN AGRARIAN REFORM BENEFICIARIES-MPC	605
CONSTANCIA B. GULIAS	1. LOURDES MULTI PURPOSE COOPERATIVE	1,234
DONNA MARIE C. FOJA	1. AGRA PROGRESO MULTI-PURPOSE COOPERATIVE	525
EDITH M. GONZALES	1. SAMAHANG MAGSASAKA NG BARANGAY STA. MARIA AGRARIAN REFORM COOPERATIVE	63
ELIZABETH L. PRETENCIO	1. PERPETUAL HELP MULTI-PURPOSE COOPERATIVE or PHCCI-MPC Tacloban	22
EVELIA BARDOS-TIZON	1. INCORPORATOR 2. NEC MULTI-PURPOSE COOPERATIVE	10,551
RUSTICO U. GALANG, JR.	1. INCORPORATOR	157
JACKSON TAGALA	1. BACARRA SAVINGS AND CREDIT COOPERATIVE	245
JONNA LOU M. AMONGAN	1. NAGKAHIUSANG MAG-UUMA SA GUIHALINAN COOPERATIVE-BAROBO	482
JOSEPHINE PANES	1. DEPARTMENT OF AGRARIAN REFORM MULTI-PURPOSE COOPERATIVE	605
JUPITER B. BONILLA	1. DAGOHOY MULTIPURPOSE COOPERATIVE 2. FIVE STAR MULTI PURPOSE COOPERATIVE 3. PINGKIAN COMMUNITY DEVELOPMENT COOPERATIVE 4. PANGASINAN SAVINGS AND CREDIT COOPERATIVE 5. SAMAHAN SA IKAUUNLAD NG PAMAYANAN CREDIT COOP (SIKAPCO)	11,490
KIMBERLY NASOL	1. DALAWINON FARMERS MULTI-PURPOSE COOPERATIVE	606

LAUREANO B. MESIAS, JR.	1. SAINT VINCENT DE PAUL MULTI PURPOSE COOPERATIVE	14
LEMON G. MAGOLIMAN	1. GUIMARAS BRETHREN MULTI-PURPOSE COOPERATIVE	654
LEMUEL JOHN B. VELASCO	1. SELF RELIANT TEAM (SRT) OF PALAWAN MULTI-PURPOSE COOPERATIVE	487
LEONARDO S. BANGA	1. DAVAO DE ORO SAVINGS AND CREDIT COOPERATIVE	594
LIEZL J. RABINO	1. MANSALAY AGRICULTURE AND FISHERIES MULTI-PURPOSE COOPERATIVE	2,398
LOWIE F. FARQUERABAO	1. MANGUYANG AGRARIAN REFORM BENEFICIARIES COOPERATIVE	69
MA. LUISA C. SORIANO	1. MOTHER RITA MULTI-PURPOSE COOPERATIVE	25
MA. VERONICA B. SIERRA	1. BACBACAN MULTI PURPOSE COOPERATIVE 2. PANAY AGRARIAN REFORM COOPERATIVE	3,287
MARITES B. SACLET	1. SAN MIGUEL FARMERS AND FISHERS MPC	1,328
MARK HENRY E. ECOM	1. SAN ISDIRO DEVELOPMENT COOPERATIVE	334
CONSTANCIA B. GUILAS	1. LOURDES MULTI PURPOSE COOPERATIVE	1,234
MARY ROSE G. ANUTA	1. LIMBAHAN SMALL COCONUT FARMERS AND WOMEN MPC - LUPON	505
MAUREEN O. CUBAROL	1. ALIPAO MULTI-PURPOSE COOPERATIVE	1,846
JACKSON TAGALA	1. BACARRA SAVINGS AND CREDIT COOPERATIVE	245
MICHAEL JAN P. NARBONETA	1. SAN RAMON MULTI-PURPOSE COOPERATIVE	393
MIRASEL T. CANIZER	1. BUKLOD NG BUHAY ARC MULTI-PURPOSE COOPERATIVE	559
REJOICE I. MENESES	1. SAN NICOLAS MULTI-PURPOSE COOPERATIVE	173
RENALYN V. GAZA	1. TALISAYON MULTI PURPOSE COOPERATIVE-SAN LORENZO RUIZ BRANCH	333
RENOIR P. AMORES	1. SPRINGSIDE IRRIGATOR'S AND FARMERS AGRARIAN REFORM BENEFICIARIES MULTI-PURPOSE COOPERATIVE	541
RICKY A. CAPRICHIO	1. LA LIBERTAD AGRARIAN REFORM BENEFICIARIES MPC- RIZAL	774
ROMENITO PADER	1. BAYANIHAN HUNDRED ISLANDS AGRARIAN REFORM COOPERATIVE	546
RYAN P. HERAY	1. LABO PROGRESSIVE MULTI PURPOSE COOPERATIVE	58
SOLOMON P. DONOR, JR.	1. BACLAY MULTI-PURPOSE COOPERATIVE	2,343
VIVIAN MAGNO	1. SAN ISDIRO DEVELOPMENT COOPERATIVE	334
ROMEO M. MAGDAONG	1. RED RIBBON MULTI-PURPOSE COOPERATIVE 2. NATCCO MBAI INCORPORATORS & BOT/OFFICERS AND STAFFS	496
ROMEO M. MAGDAONG	1. UNREPRESENTED: INCORPORATOR-GANDIONCO, REYNALDO A 2. UNREPRESENTED: COOPERATIVES PROXY VOTES: 01 DEVELOPMENT WORKERS SAVINGS AND CREDIT COOPERATIVE 02 LACE MULTI-PURPOSE COOPERATIVE 03 MSU-IIT NATIONAL MULTI-PURPOSE COOPERATIVE 04 MINDORO OCCIDENTAL SUSTAINABLE	7,877

	SKILLS MULTI-PURPOSE COOPERATIVE 05 STA. CRUZ SAVINGS & DEVELOPMENT COOPERATIVE 06 BANTOLINAO FARMERS MPC- ANTEQUERRA 07 BACOLOD CITY SAVINGS AND CREDIT COOPERATIVE 08 BAGGAK TI DAYA DEVELOPMENT COOPERATIVE 09 BATONG PALOWAY AGRARIAN REFORM COOPERATIVE 10 CADIZ CITY CREDIT COOPERATIVE (C4) 11 CAMARINES SUR MPC - CALABANGA 12 CARMEN MULTI PURPOSE COOPERATIVE- BOHOL 13 CAMARINES NORTE DEV""T COOP- DAET 14 CASANDRO MULTI PURPOSE COOPERATIVE- MACALELON 15 DUR-AS SAVINGS AND CREDIT COOPERATIVE 16 DACUTAN FARMERS MULTI-PURPOSE COOPERATIVE 17 DUMANGAS AGRARIAN REFORM COOPERATIVE 18 DEL ROSARIO MULTI-PURPOSE COOPERATIVE 19 GO QUIRINIANS SAVINGS AND CREDIT COOPERATIVE 20 HACIENDA MARIA PRIMARY MULTI-PURPOSE COOPERATIVE 21 BOL-ANON SAVINGS AND CREDIT COOPERATIVE (FORMERLY HATDANNAY-TUBIGON) 22 KABANGASAN-MAPUA-DAHILIG ARC COOPERATIVE-BALINGOAN 23 KATILINGBANONG PROGRAMA SA MAAYONG PANGLAWS- KINAUGALINGONG PANINGKAMOT MPC-KABALASAN 24 KISANDAL MULTI PURPOSE COOPERATIVE 25 MILLENNIAL CREDIT COOPERATIVE - BAYUGAN 26 MALAPATAN MULTI-PURPOSE COOPERATIVE - GLAN 27 MINABA AGRARIAN REFORM COOPERATIVE 28 MAPILI AGRARIAN BENEFICIARIES MPC- PASSI 29 NORTHERN SAMAR SAVINGS AND CREDIT COOPERATIVE 30 NORTHERN QUEZON SAVINGS AND CREDIT COOPERATIVE 31 NDMU MULTI-PURPOSE COOPERATIVE 32 NABUA DEV MULTI-PURPOSE COOPERATIVE 33 PAYOMPON DEVELOPMENT COOPERATIVE 34 PILI MARKET DEVELOPMENT COOPERATIVE - SIPOCOT BRANCH 35 STA. CRUZ MULTI-PURPOSE COOPERATIVE 36 SRT PUERTO PRINCESA COOPERATIVE OF PALAWAN MULTI-PURPOSE COOPERATIVE 37 SUGPUNAN TI LA UNION- LA UNION 38 SPRINGSIDE "ARB"S" IRRIGATORS & FARMERS MPC -SATELLITE 39 SALVACION FARMERS DEVELOPMENT COOPERATIVE- SORSOGON 40 ST. ANTHONY DEVELOPMENT COOPERATIVE	
--	--	--

	41 SARANGANI MULTI PURPOSE COOPERATIVE-TUPI 42 TANIKALA NG PAGKAKAISA MULTI-PURPOSE COOPERATIVE 43 TAYABAS COMMUNITY MULTI-PURPOSE COOPERATIVE 44 ZAMBOANGA SIBUGAY CREDIT COOPERATIVE 45 ZANORTE COMMUNITY CREDIT COOPERATIVE	
ARNILO BARRAMEDA	1. Personal Representative	1
ELLEN PASTORES	1. Personal Representative	1

I. Call to Order

The Chairperson, Mr. Romeo Magdaong called the 13th Annual Meeting to order at 10:50 o'clock in the morning.

II. Proof Due Notice, Roll Call, Certification and Determination of the Quorum

The Secretary, Ms. Mildred Cerezo showed proof of due notice, did the roll call of each representative and the cooperative representing, and certified the following:

- Notice of the 13th Annual Meeting of the NATCCO MBI was sent on April 30, 2024 to all members via email and was uploaded on the NATCCO MBI website.
- Number of active members as of Dec 31, 2023 was finalized on March 15, 2024.
- The release of a letter to partner cooperatives asking them to appoint official representatives was on February 15, 2024
- The deadline for the acceptance of the official representative was disseminated and set on April 15, 2024.
- On April 25, 2024, the total number of proxy votes for each Representative was then finalized.
- And the Corporate Governance - Nomination Committee validated the completeness of membership count and proxy votes on April 26, of this year.
- 5 Original incorporators have 157 votes each, with total of 785 votes.
- Total proxy votes for 2024 Annual Meeting are 66,577

- The NATCCO MBI has a total of 65,792 from active members as of December 31, 2023, 46 representatives in attendance carrying 58,072 proxy votes or 88%.
- 4 Original Incorporators are present with total votes of 628.
- Total Proxy Votes are 66,420.

The Secretary, Mildred Cerezo then certified the existence of a quorum.

III. Approval of the Agenda

Chairperson Romeo Magdaong presented the Agenda.

Representative Arnilo Barrameda moved for the approval of the Agenda which was seconded by Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative. There being objections, the motion was approved.

Annual Meeting Resolution No. 01-2024

Resolution approving the agenda of 2024 Annual Meeting as follows:

- i. Call to order*
- ii. Proof of Due Notice, Roll Call and Determination of the Quorum*
- iii. Approval of the Agenda*
- iv. Considerations of the Minutes of May 30, 2023 Annual Meeting*
- v. Business arising from the Minutes of May 30, 2023 Annual Meeting*
- vi. Annual Reports*
 - a. Chairperson's Report*
 - b. President's Report*
 - c. Treasurer's Report*
 - d. Mandatory Committee Reports*
 - 1. Corporate Governance/Nomination & Election Committees*
 - 2. Audit Committee*
 - e. Other Committees*
 - 1. Product & Review Committee*
 - 2. Investment Committee*
 - 3. Marketing Committee*
 - 4. Management Information System Committee*
 - 5. Policy & Review Committee*
- vii. New Business*
 - A. Presentation of the 2024 Annual Plans and Budget*
 - B. Appointment of 2024 External Auditor*
- viii. Election*



ix. **Other Matters**

x. **Adjournment**

The votes casted and received on the approval of the agenda with voting rights as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain
66,420	66,420	66,420	0	0

In order to allow sufficient time for online representatives to vote and to ensure the proper consolidation of results from both in-person and online participants, Independent Trustee Atty. Adolfo Ibanez moved to suspend the rule due to the implementation of a hybrid setup Annual Meeting for the first time. The motion was duly seconded severally. There being no objections, the motion was approved.

Annual Meeting Resolution No. 02-2024

Resolution, approving the suspension of the rule due to the implementation of a hybrid setup Annual Meeting for the first time, in order to allow sufficient time for online representatives to vote and to ensure the proper consolidation of results from both in-person and online participants, the rule was hereby suspended.

The votes casted and received on the approval of the suspension of the rule follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain
66,420	66,420	66,420	0	0

Also, Trustee Leonardo Banga representing Davao de Oro Saving and Credit Cooperative moved that the conduct of election be done before the consideration of the Minutes, the motion was seconded by Incorporator and Representative Evelia Tizon of NEC MPC. There being no objections, the motion was approved.

Annual Meeting Resolution No. 03-2024

Resolution, approving the conduct of election be done before the Consideration of the Minutes in the order of the Agenda.

The votes casted and received on the approval of the conduct of election in the agenda as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain
66,420	66,420	66,420	0	0

IV. Election

The CGC/Nomination Committee Member Leonardo Banga presented the report.

He also presented the candidates for elections and the election was then officially declared to both online and in person.

Representative Renoir Amores of Springside Irrigator's and Farmers Agrarian Reform Beneficiaries MPC moved for a recess at 11:59 o'clock in the morning, seconded by Representative Arnilo Barrameda. No objections, the motion was approved.

V. Consideration of the Minutes of 12th Annual Meeting of May 30th, 2023.

Incorporator and Representative Evelia Tizon of NEC MPC moved to dispense with the reading of the Minutes of the previous Annual Meeting, seconded by Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative. There being no objections, the motion was approved.

Representative Leonardo Banga of Davao de Oro Saving and Credit Cooperative, corrected line 85, winner of the Election for Independent Trustee was Robert Abao.

After the correction, Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative moved for the approval of the Minutes as corrected, seconded by Incorporator and Representative Evelia Tizon of NEC MPC. There being no objections, the motion was approved.

Annual Meeting Resolution No. 04-2024

Resolution, approving the Minutes of 12th Annual Meeting on May 30, 2023.

The votes casted and received on the approval of the Minutes of May 30th Annual Meeting follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

VI. Business Arising from the Minutes of 12th Annual Meeting

Representative Ellen Pastores observed that updates on the resolutions made during last Annual Meeting was not included in the kit. She then reminded the Management that this should be included in every kit, moving forward.

Representative Mesias asked clarification on page 35 of Article XVII Amendments of the Laws regarding 2/3 of members to constitute a quorum, how was this being done.

Chairperson Magdaong quoted Article IV-Meeting in the By-Laws which stated in Section 4. *"... at least 51% of all members in good standing will constitute a quorum. A member may be represented by a proxy".*

VII. Unfinished Business

No unfinished business presented and discussed.

VIII. Presentation of Reports

A. Chairperson's Report on Board of Trustees' Resolutions and Actions Taken for the year 2023.

Chairperson Romeo Magdaong turned over the Chairmanship to Vice-Chairperson Jupiter Bonilla as he presented his report.

Resolution No	Resolution	Actions Taken
1	Resolution, confirming the approval of face-to-face conduct of 2023 Annual Meeting at Sequoia Hotel in Quezon City.	DONE
2	Resolution, directing the President to provide the Execom an update on the recurring issue of resubmission of enrollees by NEC Daet.	DONE
3	Resolution, approving the revised NMBAI Map and the related Balance Scorecard putting the Social Impact Perspective under Customer Perspective.	DONE
4	Resolution, directing the Management to invite an actuary to revisit the product designs of NMBAI.	FOR IMPLEMENTATION ON 2024, TOGETHER WITH PFRS17 REVIEW
5	Resolution, approving the information update for NMBAI business permit with the following: · President Minerva Tejada as the new contact person · With 9 employees · NMBAI as an insurance company from being an administrative	DONE
6	Resolution, authorizing Ms. Dhonna Francisco to transact for business permit on behalf of NMBAI.	DONE

7	Resolution, approving the Revised Election Code 2023.	DONE. Being Implemented
8	Resolution, approving the NMBAI Attendance Policy in HR Manual.	DONE. Being Implemented
9	Resolution, authorizing Chairperson Evelia Tizon as the official representative to RIMANSI AGM.	DONE
10	Resolution, directing the Management to provide a report and present the delinquency matter of the premium payment	DONE. Being implemented.
11	Resolution, directing the management to provide a report on the cleansing of the MICOOP partners.	On-going
12	Resolution, adopting the 2023 Annual Meeting theme: Stepping up to the Challenges of Evolving Microinsurance Market	DONE
13	Resolution, directing PRD to study the business rule of our partner for CLIP and recommend a new insurer for CLIP	DONE
14	Resolution, approving the final draft of 2022 AFS as revised.	DONE
15	Resolution, approving the resignation of Robert Abao as Auditor.	DONE
16	Resolution, approving the Guidelines in Increasing the Directorial Seats of NMBAI.	DONE
17	Resolution, adopting the Revised Corporation Code of the Philippines issued by Securities and Exchange Commission (SEC) and Revised Corporate Governance Code for Insurance Commission as part of the amendments to the NMBAI Bylaws	Being Adopted
18	Resolution, approving the proposed Amendments to the BYLAWS to be presented to the 2023 Annual Meeting	DONE. Amendments approved on January 31, 2024
19	Resolution, directing the marketing committee to review the marketing system awards and include the enrollees growth performance as part of the criteria to the awards.	DONE. Being implemented
20	Resolution, approving Corporate Governance Committee as the nominating body for NMBAI elections.	Done. Being implemented
21	Resolution, accepting the BOT performance evaluation from RIMANSI.	DONE
22	Resolution, mandating the use of evaluation results of BOT performance as a basis for 2023 mid-year and annual planning.	For implementation
23	Resolution appointing the following officers of NMBAI for June 2023- May 2024: Ms. Zorahayda A. Cafirma - Treasurer	DONE

	Ms. Sheryll Anne A. Bangalan - Auditor Ms. Mildred C. Cerezo - Secretary	
24	Resolution, appointing the following as Executive Committee Members: Chairperson Romeo Magdaong Vice-Chairperson Jupiter Bonilla President Minerva Tejada Treasurer Zorahayda Cafirma	Being implemented
25	Resolution appointing the following as Audit Committee Members: Independent Trustee Robert Abao Independent Trustee Atty. Adolfo Ibanez Trustee Angel Garcia Jr.	DONE
26	Resolution appointing the CGC members as follows: Independent Trustee Atty. Adolfo Ibanez Independent Trustee Robert Abao Vice-Chairperson Jupiter Bonilla	DONE
27	Resolution appointing the members of the Investment Committee as follows: Treasurer Zorahayda Cafirma Trustee Angel Garcia Chairperson Romeo Magdaong	DONE
28	MIS Committee as follows: Trustee Leonardo S. Banga Trustee Angel Garcia Trustee Jasmine Quidilla	DONE
29	Marketing Committee as follows: Vice-Chairperson Jupiter Bonilla Secretary Mildred Cerezo Independent Trustee Adolfo Ibanez	DONE
30	Policy Review Committee as follows: Trustee Angel Garcia Jr. Independent Trustee Atty. Adolfo Ibanez Treasurer Zorahay Cafirma	DONE
31	PRD Committee as follows: Chairperson Romeo Magdaong Vice-Chairperson Jupiter Bonilla Trustee Leonardo S. Banga	DONE
32	Resolution designating the following as the bank signatories for NMBAI for 2023-2024: Group A: Treasurer Zorahayda Cafirma and Trustee Maria Jasmine J. Quidilla Group B: Chairperson Romeo Magdaong and President Minerva Tejada	DONE
33	Resolution, designating Chairperson Romeo Magdaong as the official representative to RIMANSI Annual General Assembly.	DONE

34	Resolution, designating President Minerva Tejada as the representative of NMBAI in all regulatory bodies, such as IC, SEC, BIR, etc.	Being implemented
35	Resolution, mandating the Management to submit a catch-up plan to the Board.	DONE
36	Resolution, adding Independent Trustee Robert Abao as Resource Person in the Marketing Committee	DONE
37	Resolution, Management to create a summary of Board of Trustees performance evaluations.	DONE
38	Resolution, mandating the Execom to assign the Committees concerned based on the results of the performance evaluations of the Board conducted by RIMANSI.	DONE
39	Resolution, confirming the approval of Board of Trustees and Officers Performance Policy.	DONE
40	Resolution, confirming the approval of CLIMBS and Generali as reinsurers of NMBAI.	DONE
41	Resolution, approving the Anti-Sexual Harassment Policy.	DONE
42	Resolutions, approving the Alcohol and Drug Free Workplace-HR Policy.	DONE
43	Resolutions, confirming the approval of Related Party Transaction (RPT) Policy.	DONE
44	Resolutions to implement the information review history in the documents of NMBAI.	Being implemented
45	Resolutions, Management to recommend a policy on collecting past due receivables to CGC Committee.	Being implemented
46	Resolutions, POLREV committee to review existing MOA of NMBAI and Coop partners.	DONE
47	Resolutions to include the results of performance evaluation of RIMANSI in the action planning of each committee assigned.	Committee to convene and present their action plan
48	Resolutions, allowing former BOT member, Ms. Ellen R. Pastores to sign bank documents for NMBAI, while waiting for the completion of process for the new set of bank signatories	DONE
49	Resolutions, approving the online application of eFPs for ePay and e-File and updating the Certificate of Registration.	DONE
50	Resolutions, appointing the employees as users of BIR online account: User/maker: Sunshine O. Mariano and Armel Jairus D. Patawaran Verifier : Yani M. Yugo Approver : Minerva G. Tejada	DONE
51	Resolutions, appointing Ma. Cheris Solsona as the Data Privacy Officer (DPO)	DONE

52	Resolutions, appointing President Minerva Tejada as NMBAI Compliance Officer and Ms. Yani Yugo as alternative compliance officer.	DONE
53	Resolution to create a Record Management Policy on how to safeguard sensitive information and data to ensure confidentiality, availability, and proper disposal.	Draft for review and approval of BOT
54	Resolution, stating that Independent Trustee Roberto A. Abao will conduct an Information Security Awareness Training.	DONE
55	Resolution to mandate the Policy Review Committee to revisit the BOT Charter to address the issue of conducting effective online meetings.	For POLREV discussion
56	Resolution, approving the revised MOA between NMBAI & Coops	DONE
57	Resolution to defer the approval of Code of Conduct to allow more time for the body to delve into the finer details and utilize online group chat to process comments and ratification.	DONE
58	Resolution directing the Management to create a pie chart ratio presentation showing MICOOP partners, graduate and direct coops	DONE
59	Resolution mandating the Management to come up with the marketing plans and programs for coops under MICOOP scheduled to graduate in 2024	DONE
60	Resolution directing the Management to adhere to the original 300,000 target members by 2025.	DONE.
61	Resolution, approving the 2024 Plans and Budget as revised.	DONE
62	Resolution, appointing CGC to conduct more in-depth study and analysis on the proposed business model canvas along with results of assessments by ACGS and ACGR.	For review of CGC
63	Resolution, appointing Policy Review Committee to review the Anti Money Laundering and Counter Terrorism Financing (AML-CTF) questionnaire and Money Laundering and Terrorism Financing Prevention Program (MTTP) Manual	For review of CGC
64	Resolution, appointing the Investment Committee to revisit the existing Investment Policy, if necessary, revise the current policy framework taking into account the insights and concerns raised during the discussion in the Governance and AMLA Workshop.	Committee to convene

65	Resolution, appointing Ms. Mildred Cerezo as designated Secretary to the Audit Committee meetings	DONE
66	Resolution, Audit Committee to conduct a review of the presentation of the recent report, particularly the section related to Members Certificate Contribution Loan and Members Equity Value presented during the meeting.	DONE

171

172 After presentation and discussions followed.

173 Vice-Chairperson Jupiter Bonilla being the presiding officer asked the body for any questions on
174 the report presented.

175 Representative Ma. Veronica Sierra of Bacbacan MPC and Panay Agrarian Reform Cooperative
176 asked update on Resolution No. 11, regarding the cleansing of list of active members, because
177 she still noticed there were inactive coop members that were still on the list.

178 President Minerva Tejada noted the comment and replied that cleansing is still on going.

179 (Casandro Multi Purpose Cooperative, Cadiz City Credit Cooperative, Sugpunan Ti La Union,
180 Bol-anon Savings and Credit Cooperative)

181 Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative
182 inquired update as to the achievement on the 300,000 target members.

183 President Minerva Tejada stated that, to date, less than 50% of the target has been achieved

184 Representative Lemon Magoliman of Guimaras Brethren MPC inquired about Resolution No.
185 64, specifically questioning why the Investment Policy had not been done and what the plan
186 was to address this issue

187 Chairperson Romeo Magdaong being a member of the Investment committee replied that the
188 Committee was scheduled to meet this year since and will review the existing policy.

189 President Minerva Tejada added that the draft was ready for final review. However, they are
190 waiting for the final circular from the IC so they can incorporate any necessary additions or
191 ensure compliance if the new circular is released.

192 Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative
193 asked update on Resoluton No. 40, regarding Climbs and Generali as reinsurers.

194 Chairperson Romeo Magdaong commented that, based on policy, there is a need for a reinsurer
195 to spread the risk.

196 President Minerva Tejada added that CLIMBS was also the reinsurer for non-life products and
197 for those members aged 51 and above are assigned to the two reinsurers.

198 Representative Alma Vinluan of NATCCO Board and Employees also reiterated the need to
199 include the updates of actions taken in the resolutions for proper reference and manage the
200 time of the proceedings effectively.

- 201 She also asked about the measures to achieve targets since there was some double entry of
 202 names mentioned during the cleansing and how do to get more members aside from NATCCO.
- 203 President replied, members will not decrease but there were just names with double entry in the
 204 system that needs consolidations and 2025 is the 7th year of the plan, review can be done to
 205 align an achievable target for the next development plan.
- 206 She also relayed that 70% of the members were from MICOOP and 30% were from direct coop
 207 but now we can tap other associations not only cooperatives based on the amended Bylaws.
- 208 Representative Laureano Mesias Jr. Saint Vincent De Paul MPC asked about the Resolution
 209 No.2 regarding the signatories what if the Set A or B would be both unavailable, should there be
 210 no possible transactions in the bank.
- 211 President Minerva Tejada clarified that any of the two from Set A or B can sign, so there were 4
 212 people who are part of the options who could sign for a bank transaction.
- 213 After discussing all matters in the resolutions presented, Representative Laureano Mesias Jr.
 214 Saint Vincent De Paul MPC moved to accept the 2023 Report of the Chairperson and to confirm
 215 the Board Resolutions for 2023, the motion was seconded by of the Board, seconded,
 216 Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative.
 217 There being no objections, the motion was approved.

218 Annual Meeting Resolution No. 05-2024

219 Resolution to accept the Chairperson's report and to confirm the Board Resolutions for 220 2023.

221 The votes casted and received on the acceptance of the Chairperson's report and the
 222 confirmation of Board Resolutions for 2023 are as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

- 223
- 224 Incorporator and Representative Evelia Tizon of NEC MPC suggested that the presentation of
 225 report of the Board and Management be separated in the Annual Report.
- 226 B. Presidents Report
- 227 President Minerva Tejada presented her report.
- 228 Incorporator and Representative Evelia Tizon of NEC MPC moved for the acceptance of the
 229 report presented, seconded by Representative Romenito Pader of Bayanihan Hundred Islands
 230 Agrarian Reform Cooperative. There being no objections, the motion was approved.

231 Annual Meeting Resolution No. 06-2024

232 Resolution to accept the President's Report as presented.



233 The votes casted and received on the acceptance of the President's report are as
234 follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

235

236 Discussions:

237 Representative Amilo Barrameda of NEC MPC shared his observation on the increase of BLIP
238 and CLIP but revenue has decreased, while operating expense has also increased.

239 President Minerva Tejada explained that the significant increased in the operating expense was
240 due to allocations of monthly accrual and also due to part of the provisioning and cleansing
241 process.

242 Representative Ellen Pastores of NEC MPC observed a decrease in premiums and an increase
243 in receivables in the Financial Statement. She asked management to prioritize measures to
244 improve the collection of loans and other receivables.

245 President Minerva Tejada noted that reminders are being sent and regular activities are
246 conducted to collect premiums. Additionally, the Corporate Governance Committee has revised
247 the MOAs, sanctions and penalties are being imposed to improve collections.

248 Representative Lemon Magoliman of Guimaras Brethren MPC proposed an incentive program
249 aimed at increasing cooperative membership. He subsequently made a motion to create a
250 policy outlining these incentives. The motion was seconded by Representative Laureano Mesias
251 Jr. of St. Vincent De Paul MPC. There being no objections, the motion was approved.

252 **Annual Meeting Resolution No. 07-2024**

253 **Resolution to create policy outlining incentives schemes for cooperatives.**

254 The votes casted and received for creation of policy for incentives for cooperative are
255 as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

256

257 Incorporator and Representative Evelia Tizon of NEC MPC reminded everyone again to use the
258 approve term for "Planado," "Sigurado," or "Protektado" for BLIP and CLIP, respectively.

259 Representative Ellen Pastores from NEC MPC inquired from the free and assigned fund
 260 balance specifically as when can the allocation for members' benefits and equity enhancement
 261 be given.

262 President Minerva Tejada replied that the Policy on Enhancement was available and that the
 263 Management would review when the allocation could be provided.

264 Independent Trustee Abao stated that the equity should not be distributed in cash but should
 265 instead be provided through services or programs that benefit the members.

266 **C. Treasurer's report**

267 Representative Ellen Pastores from NEC MPC move to dispense with the reading of the report
 268 of the Treasurer, seconded by Incorporator and Representative Evelia Tizon. There being no
 269 objections, the motion was approved.

270 **Annual Meeting Resolution No. 08-2024**

271 **Resolution to dispense with the reading of Treasurer's Report.**

272 The votes casted and received to dispense with the reading of Treasurer's Report as
 273 follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

274

275 Incorporator and Representative Evelia Tizon of NEC MPC moved for the acceptance of the
 276 report which was seconded by Representative Alma Vinluan of NATCCO Board and Employees.
 277 There being no objections, the motion was approved.

278 **Annual Meeting Resolution No. 09-2024**

279 **Resolution to accept the Treasurer's Report.**

280 The votes casted and received to accept the Treasurer's Report are as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

281

282 Incorporator and Representative Evelia Tizon of NEC MPC commented on the contents of the
 283 Annual Reports, specifically on reports presented that some were not part of the Annual Reports.

284 Representative Ma. Veronica Sierra of Bacbacan MPC and Panay Agrarian Reform Cooperative
 285 also noticed that notes in the FS were not included.

286 Chairperson Romeo Magdaong informed the body, that the Board would create Committee to
287 review and approve the Annual Report before the publication.

288 Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative
289 then moved, Corporate Governance Committee to review and approve the Annual Report before
290 the publication, seconded by Representative Lemon Magoliman of Guimaras Brethren MPC.
291 There being no objections, the motion was approved.

292 **D. Mandatory Committee Reports**

293 **1. Corporate Governance Committee Report**

294 The report was presented by the Committee Vice Chairperson Independent Trustee Robert
295 Abao. He reported the accomplishments of the committee which can also be found on the 2023
296 Annual Report booklet.

297 Representative Laureano Mesias, Jr. of Saint Vincent De Paul MPC moved for the acceptance
298 of the report presented, seconded severally. There being no objections, the motion was
299 approved.

300 **Annual Meeting Resolution No. 10-2024**

301 **Resolution to accept the CGC's Report.**

302 The votes casted and received are as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

304 **2. Audit Committee Report**

305 The report was presented by Committee Chairperson Independent Trustee Robert Abao.

306 Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative
307 moved for the acceptance of the report presented, seconded severally. There being no
308 objections, the motion was approved.

309 **Annual Meeting Resolution No. 11-2024**

310 **Resolution, accepting the report of the Audit Committee.**

311 The votes casted and received, accepting the report of the Audit Committee are as
312 follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

3. Other Committee Reports

Chairperson Romeo Magdaong presented the reports of other committees as detailed in the Annual Report.

Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative moved to dispense with the reading of the reports of other committees in the Annual Report, seconded by Incorporator and Representative Evelia Tizon of NEC MPC seconded. There being no objections the motion was approved.

Annual Meeting Resolution No. 12-2024

Resolution to dispense with the reading of other committee reports.

The votes casted and received, to dispense with the reading of other committee reports are as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

Representative Ellen Pastores from NEC MPC moved to accept the all the reports presented which was seconded by Incorporator and Representative Evelia Tizon of NEC MPC. There being no objections, motion was approved.

Chairperson Romeo Magdaong asked the body if they have any questions need to discuss on the reports.

No body asked a question, therefore no discussion followed.

Annual Meeting Resolution No. 13-2024

Resolution, accepting all reports from other committees:

- Product and Review Committee
- Marketing Committee
- Management Information System Committee
- Policy Review Committee

The votes casted and received, to dispense with the reading of other committee reports are as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

VII. New Business

A. 2024 Plans and Budget

President Minerva Tejada presented the 2024 Plans and Budget

Representative Lemon Magoliman of Guimaras Brethren MPC moved for the acceptance 2024 Plans and Budget seconded by Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative. There being no objections, the motion was approved.

Annual Meeting Resolution No. 14-2024

Resolution, accepting 2024 Plans and Budget.

The votes casted and received, 2024 Plans and Budget are as follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

Discussions:

Representative Romenito Pader of Bayanihan Hundred Islands Agrarian Reform Cooperative requested direct consultation with the primaries as to issues they experience on claims if there's any, so this can be used to increase volumes of members insured to NMBAI.

Representative Laureano Mesias, Jr. of Saint Vincent De Paul MPC if mandated training for cooperatives can be sponsored by the Association as part of marketing strategies to generate more member enrollees.

President Minerva Tejada answered affirmatively, they will create a plan for this request.

B. Acceptance of the External Auditor

Chairperson Romeo Magdaong presented Aquino Mata Calica & Associates as the External Auditor for 2024, as recommended by Audit Committee.

Representative Laureano Mesias, Jr. of Saint Vincent De Paul MPC asked how many years the engagement will serve NMBAI. The Chairperson, Romeo Magdaong then clarified that

369 appointment should be done yearly but is limited to 5 years engagement only as prescribed by
 370 Insurance Commission.

371

372

373 IX. Election Results

374 CGC/Nomination Committee Member Leonardo Banga presented the results of the Election as
 375 follows:

376

NUMBER OF REPRESENTATIVES		PROXY VOTES
2023 PROXY VOTES:		53
PRESENT:		46
ABSENT:		7
ATTENDEES TOTAL:		53

REGULAR TRUSTEE TOTAL	#OF BALLOTS	PROXY VOTES
PRESENT:	46	60,510
VALID VOTE:	29	55,002
INVALID VOTE:	2	1,256
ABSTAIN:	15	4,252
E-BALLOT TOTAL	46	60,510

377

378

379 The Committee then declared the following winners based on the tabulation:

FINAL RESULT OF ELECTION ON REGULAR TRUSTEE				
RANKING	CANDIDATE	TOTAL PRESENT VOTING MEMBERS, BY PROXY	VOTES CASTED	
			VALID	INVALID
1	TIZON, EVELIA B.	54,497	28	2
2	PATIRI, JOBULANDO D.	505	1	2
		55,002		

380

FINAL RESULT OF ELECTION ON INDEPENDENT TRUSTEE				
RANKING	CANDIDATE	TOTAL PRESENT VOTING MEMBERS, BY PROXY	VOTES CASTED	
			VALID	INVALID
1	ABAO, ROBERTO A.	51,547	29	2
2	IBANEZ, ADOLFO A.	50,663	29	2

NAME	NO. OF VOTES	TERM
TIZON, EVELIA B.- REG TRUSTEE	54,497	3YEARS
ABAO, ROBERTO A. - IND. TRUSTEE	51,547	3YEARS
IBANEZ, ADOLFO A. - IND. TRUSTEE	50,663	1 YEAR

381



382 Representative Lemon Magoliman of Guimaras Brethren MPC moved for the confirmation of the
 383 newly elected Board of Trustees which was seconded by Representative Romenito Pader of
 384 Bayanihan Hundred Islands Agrarian Reform Cooperative. There being no objections, the
 385 motion was approved.

386 Annual Meeting Resolution No. 15-2024

387 Resolution to confirm the newly elected Board of Trustees of NMBAI.

388 The votes casted and received confirming the newly elected Board of Trustees are as
 389 follows:

Total Voting Members/Proxy	Total Votes Casted	Votes in Favor	Invalid Votes	Abstain	Total Voting Members/Proxy
66,420	66,420	66,420	0	0	66,420

390

391 X. Adjournment

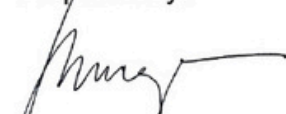
392

393 Vice-Chairperson Jupiter Bonilla moved for the adjournment of 2024 13th Annual Meeting at 4:02
 394 o'clock in the afternoon, duly seconded by Representative Ellen Pastores from NEC MPC.

395

396

397 Prepared by:



401 Mildred C. Cerezo
 402 BOT Secretary

Attested by:



Romeo M. Magdaong
 Chairperson



BOARD AND MANAGEMENT REPORT



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

BOARD AND MANAGEMENT REPORT

We are pleased to present this year's Annual Board and Management Report, highlighting the NATCCO MBAI's key achievements, challenges, and progress over the past 12 months. This report reflects our continued commitment to our mission: ***"We provide family protection and member's security through insurance services"***, the resilience of our team, and the impact of our collective efforts. As we look back on the year, we also look ahead with renewed focus and determination to build on our successes and strengthen our strategic goals.

We extend our deepest gratitude to our CEO and her dedicated team, our partner cooperatives, organized groups, and our valued members for their steadfast support and unwavering commitment to NATCCO MBAI. Your continued trust and collaboration are the foundation of our shared success.

In 2024, our rallying cry, **Fostering Inclusivity Amidst Diversity through Microinsurance**, sparked action and innovation across NATCCO MBAI. We challenged ourselves to break barriers, embrace every community, and deliver solutions that truly make a difference.

In fulfillment of our responsibilities as the Board of Trustees, we are proud to present to our stakeholders the accomplishments and milestones achieved in 2024.

CONFORMANCE ROLES

1. Accountability

The Board of Trustees is mandated to report to its stakeholders regularly, that is, annually. But this does not happen once. All the actions of the Board and Management are uploaded in the NATCCO MBAI website for easy access of the members, anytime during the year.

The Board diligently ensured NATCCO MBAI's compliance with all legal and regulatory requirements. Proactive measures were also taken to address the recommendations of the Insurance Commission, particularly in implementing the Revised Corporate Code of Governance.

2. Oversight

Regular monitoring and supervision of executive performance was done quarterly by the Board and monthly by the Executive Committee. This practice softened the impact of challenging times by implementing timely corrective actions to address any shortfalls identified during monthly operations.

PERFORMANCE ROLES

1. Strategy

Strategy is at the core of the Board of Trustees' duties and responsibilities. This role was tested during this pandemic time, falling within the 7-year (2019 – 2025) development plan of NATCCO MBI. Anchored on our governance charter (vision, mission, values) and its strategy map, the Board maintained the end goal but tweaked the strategy execution, based on the dictates of the changing times.

2. Policymaking

The Board sets the tone at the top through its approved policies. The Committees ably aided the Board in the formulation and review of policies, as follows:

- 2.1. Code of Ethics and Conduct
- 2.2. MOA between NATCCO MBI and Partner Cooperatives/Institutions
- 2.3. Election Code
- 2.4. Retirement Policy

The Board of Trustees' commitment to fulfilling its conformance and performance roles, combined with the effective implementation by Management, made 2024 another successful year for NMBAI.

2024 BOARD RESOLUTIONS

RESOLUTION #	BOARD RESOLUTION (Note: The list does not include procedural & administrative resolutions)	UPDATE
1 -2024	Resolution appointing MIS Committee to draft an Information Security Policy or Records Management.	DONE. Information Security Policy approved and for implementation.
2 -2024	Resolution mandating the Management and MIS Committee to conduct housekeeping of matured accounts in the system	DONE. Identified active and inactive cooperatives, with remaining Members.
5 -2024	Resolution to consolidate and merge multiple names of enrolments in the system.	DONE. Continuous process
8 -2024	Resolution approving the theme for 2024 Annual Meeting: "Fostering Inclusivity and Unity Through Microinsurance	DONE. Implemented.
9 -2024	Resolution approving the Code of Conduct for NMBAI.	DONE
10 -2024	Resolution approving the Hybrid Set Up of the 2024 Annual Meeting.	DONE. Implemented.
11 -2024	Resolution authorizing Chairperson Romeo Magdaong to carry to votes of NATCCO MBI.	DONE. Implemented.
12 -2024	Resolution approving the 2024 Revised Election Code.	DONE. Implemented.

13 -2024	Resolution requesting the actuary to conduct an exit meeting with the BOT after April 30	DONE. Meeting held on July 6, 2024
15 -2024	Resolution approving the 2023 Audited Financial Statement	DONE.
16 -2024	Resolution directing the CGC/Nomination Committee to create a policy on selecting a Chairman Emeritus.	Referred to CGC, with Dec 2025 target completion
17 -2024	Resolution tasking the CGC to review the individual filing of candidacy.	DONE. Letter was released to partner cooperatives regarding individual representation of Members.
18 -2024	Resolution approving the release of productivity bonus.	DONE
19 -2024	Resolution creating an ad hoc committee to review and approve the final copy of Annual Report before publication.	DONE. ExeCom as the reviewing committee
21 -2024	Resolution approving Aquino Mata Calica & Associates as external auditor for NATCCO MBI	DONE.
24 -2024	Resolution reappointing Ms. Mildred C. Cerezo as Board Secretary.	DONE
25 -2024	Resolution reappointing Ms. Zorahayda A. Cafirma as Board Treasurer.	DONE
26 -2024	Resolution retaining the composition of all Committees replacing Mr. Jupiter Bonilla by Trustee Romeo Magdaong. a. Execom Committee Evelia Bardos-Tizon - Chairperson Romeo M. Magdaong - Vice-Chairperson Minerva G. Tejada - President/CEO Zorahayda A. Cafirma - Treasurer b. Corporate Governance Committee/Nomination/Remuneration Atty. Adolfo A. Ibanez - Chairperson Roberto A. Abao - Member Romeo M. Magdaong - Member Leonardo S. Banga - Resource Person Maria Jasmine J. Quidilla - Resource Person c. Audit/BROC/RPT Committee Roberto A. Abao - Committee Chairperson Atty. Adolfo A. Ibanez - Member Angel P. Garcia, Jr. - Member Zorahayda A. Cafirma - Resource Person Maria Jasmine J. Quidilla - Resource Person	DONE
27 -2024	Resolution appointing Trustee Romeo M. Magdaong as the Chairperson in the Product Review and Development Committee. d. Product Review and Development Committee Romeo M. Magdaong - Chairperson Leonardo S. Banga - Member Maria Jasmine J. Quidilla - Member	DONE
28 -2024	Resolution appointing Mildred Cerezo as Chairperson in the Marketing Committee. e. Marketing Committee Mildred Cerezo - Chairperson	DONE

	Evelia Bardos-Tizon - Member Maria Jasmine J. Quidilla - Member	
29 -2024	Resolution appointing Zorahayda Cafirma as Chairperson in the Investment Committee. f. Investment Committee Zorahayda A. Cafirma - Chairperson Romeo M. Magdaong - Member Angel P. Garcia Jr. - Member	DONE
30 -2024	Resolution designating the following as authorized bank signatories of NATCCO MBI: Group A. - Minerva G. Tejada and Zorahayda A. Cafirma (Principal) Group B - Maria Jasmine J. Quidilla and Romeo M. Magdaong (Alternate)	DONE
31 -2024	Resolution commending the Management for the job well done in conduct of the 13th Annual Meeting.	DONE
36 -2024	Resolution directing the Management to provide a summary report detailing the number of matured accounts and the total amount cleansed up to the year 2024	DONE
37 -2024	Resolution mandating the Management to draft a policy on the treatment for exit age to be reviewed by the PRD Committee.	DONE
38 -2024	Resolution requesting the PRD committee to review the product under ARUGA for possible enhancement to cater to the exit ages	For further study of PRD
40 -2024	Resolution tasking the PRD Committee to review the BLIP products with reference to cases on multiple policies and to create an optional or product.	DONE. Recommended to the Board to allow multiple policies of members with more than one (1) cooperative affiliation
47 -2024	Resolution tasking the Marketing Committee to draft incentive for existing partner cooperative for referring new partners.	DONE. Policy was approved on February 2025
54 -2024	Resolution directing the Management to review the receivable accounts, perform the necessary aging, and propose a provisioning allowance for these accounts.	For further study and consultation with the Actuary
59 -2024	Resolution tasking the PRD Committee to review the existing product design and pricing of NMBAI	For further study of PRD
62 -2024	Resolution reconstituting the PolRev Committee with the following members: Chairperson Evelia Bardos-Tizon – Committee Chairperson Trustee Angel P. Garcia, Jr. - Vice Committee Chairperson Ind. Trustee Adolfo A. Ibanez – Member Vice Chairperson Romeo M. Magdaong – Member Trustee Maria Jasmine J. Quidilla – Member Board Treasurer Zorahayda A. Cafirma - Member	DONE.
63 -2024	Resolution appointing Ms. Ma. Cherish G. Solsona, as the Data Privacy Officer (DPO) of NATCCO MBI	DONE.
68 -2024	Resolution directing Management to submit a policy proposal on the selection of a Chairman Emeritus to the Corporate Governance Committee (CGC) no later than December 30, 2025	DONE. Referred to CGC with Dec 2025 as the target completion

69 -2024	Resolution, resolution deferring the approval of the retirement policy.	DONE
71 -2024	Resolution, confirming the contract entered into by the CEO with the Actuary, Mr. Lyndon Fadri for the period covering the 2024 Financial Statements up to March 2025. Henceforth, any such contract should be covered by a board resolution	DONE
72 -2024	Resolution directing the Management to adopt the t the IBNR historical data template in projecting the IBNR reserves for 2025	DONE
75 -2024	Resolution authorizing the CEO, Ms. Minerva G. Tejada to represent the Association in meetings, negotiations and other MBA- related requirements, with partner-cooperatives, regulatory-body, and reinsurers.	DONE
76 -2024	Resolution reiterating the appointment of CEO Ms. Minerva G. Tejada as the Compliance Officer and Accounting Unit Head, Ms. Yani M. Yugo, as the Alternative Compliance Officer for the renewal of AMLA registration.	DONE
77 -2024	Resolution authorizing: 1. the updating of NATCCO MBAL's Certificate of Registration (COR) with BIR; 2. the changing of Line of Activities from Credit Cooperative Activities (J66983) to Mutual Benefit Association Operation (J66984); and 3. the designation of Mr. Armel Jairus D. Patawaran, Accounting Staff, as the authorized representative to transact and process on behalf of the company	DONE
78 -2024	A Board Resolution, appointing Mr. Armel Jairus D. Patawaran, Accounting Staff, to process, coordinate, and request an Application to Print (ATP) from RDO-40 for the printing of NATCCO MBAL's Sales Invoice	DONE
96 -2024	Resolution approving the revised Election Code 2024.	DONE
97 -2024	Resolution approving member/s to attend the Annual Meeting on their own capacity not as appointed representative. NMBAL to send letters to all partners on Jan 15, 2025, and inform that members may attend on their own capacity, but they need to sign the Revocation of Authority to Carry Proxy Vote Form.	DONE and implemented on January 2025
98 -2024	Resolution approving the Revocation of Authority to Carry Proxy Vote Form.	DONE and implemented on January 2025
99 -2024	Resolution approving the conduct of Annual Meeting in a hybrid mode.	For implementation on 2025 Annual Meeting
108 -2024	Resolution directing the PolRev Committee to draft ground rules for NMBAL meetings, including BOT, Execom, and Committee meetings. These rules shall cover online, face-to-face, and hybrid modes, as well as the online referendum for board resolutions, and the procedure for signing the Minutes.	For POLREV action

2024 ANNUAL MEETING RESOLUTIONS

RESOLUTION		UPDATE
Annual Meeting Resolution No. 01 – 2024	<p>Resolution approving the agenda of 2024 Annual Meeting as follows:</p> <ul style="list-style-type: none"> i. Call to order ii. Proof of Due Notice, Roll Call and Determination of the Quorum iii. Approval of the Agenda iv. Considerations of the Minutes of May 30, 2023 Annual Meeting v. Business arising from the Minutes of May 30, 2023 Annual Meeting vi. Annual Reports <ul style="list-style-type: none"> a. Chairperson's Report b. President's Report c. Treasurer's Report d. Mandatory Committee Reports <ul style="list-style-type: none"> 1. Corporate Governance/Nomination & Election Committees 2. Audit Committee e. Other Committees <ul style="list-style-type: none"> 1. Product & Review Committee 2. Investment Committee 3. Marketing Committee 4. Management Information System Committee 5. Policy & Review Committee vii. New Business <ul style="list-style-type: none"> A. Presentation of the 2024 Annual Plans and Budget B. Appointment of 2024 External Auditor viii. Election ix. Other Matters x. Adjournment 	DONE
Annual Meeting Resolution No. 02 – 2024	Resolution, approving the suspension of the rule due to the implementation of a hybrid setup Annual Meeting for the first time, in order to allow sufficient time for online representatives to vote and to ensure the proper consolidation of results from both in-person and online participants, the rule was hereby suspended.	DONE
Annual Meeting Resolution No. 03 – 2024	Resolution, approving the conduct of election be done before the Consideration of the Minutes in the order of the Agenda.	DONE

Annual Meeting Resolution No. 04 – 2024	Resolution, approving the Minutes of 12th Annual Meeting on May 30, 2023.	DONE
Annual Meeting Resolution No. 05 – 2024	Resolution to accept the Chairperson’s report and to confirm the Board Resolutions for 2023.	DONE
Annual Meeting Resolution No. 06 – 2024	Resolution to accept the President’s Report as presented.	DONE
Annual Meeting Resolution No. 07 – 2024	Resolution to create policy outlining incentives schemes for cooperatives.	DONE
Annual Meeting Resolution No. 08 – 2024	Resolution to dispense with the reading of Treasurer’s Report.	DONE
Annual Meeting Resolution No. 09 – 2024	Resolution to accept the Treasurer’s Report.	DONE
Annual Meeting Resolution No. 10 – 2024	Resolution to accept the CGC’s Report.	DONE
Annual Meeting Resolution No. 11 – 2024	Resolution, accepting the report of the Audit Committee.	DONE
Annual Meeting Resolution No. 12 – 2024	Resolution to dispense with the reading of other committee reports.	DONE
Annual Meeting Resolution No. 13 – 2024	Resolution, accepting all reports from other committees: <ul style="list-style-type: none"> • Product and Review Committee • Marketing Committee • Management Information System Committee • Policy Review Committee 	DONE

Annual Meeting Resolution No. 14 – 2024	Resolution, accepting 2024 Plans and Budget.	DONE
Annual Meeting Resolution No. 15 – 2024	Resolution to confirm the newly elected Board of Trustees of NMBAI.	DONE

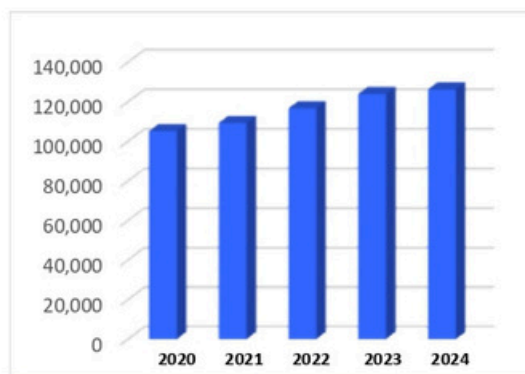
FROM THE MANAGEMENT SIDE:

The year 2024 marked another significant chapter in NATCCO MBI's journey—one shaped by collective effort, shared values, and a strong commitment to protection, service and sustainable growth. Through the active participation of our partners and members, and the dedication of our leadership, we achieved important milestones that reflect both our resilience and our unity. This report outlines the key accomplishments of the past year, celebrating the progress we've made together and reaffirming our commitment to the continued success and well-being of our association and members.

2024 ACCOMPLISHMENTS.

MEMBERS COUNT

YEAR	ALL MEMBERS	INFORCE MEMBERS
2020	105,223	64,294
2021	109,353	66,327
2022	116,725	66,409
2023	123,987	65,792
2024	126,293	64,511



By the end of 2024, our association has 126,293 individual members, and 64,511 of those are members with Inforce policies and are valid for claims if death or sickness happens. To ensure protection, other members are encouraged to renew their policies.

ISSUED POLICIES

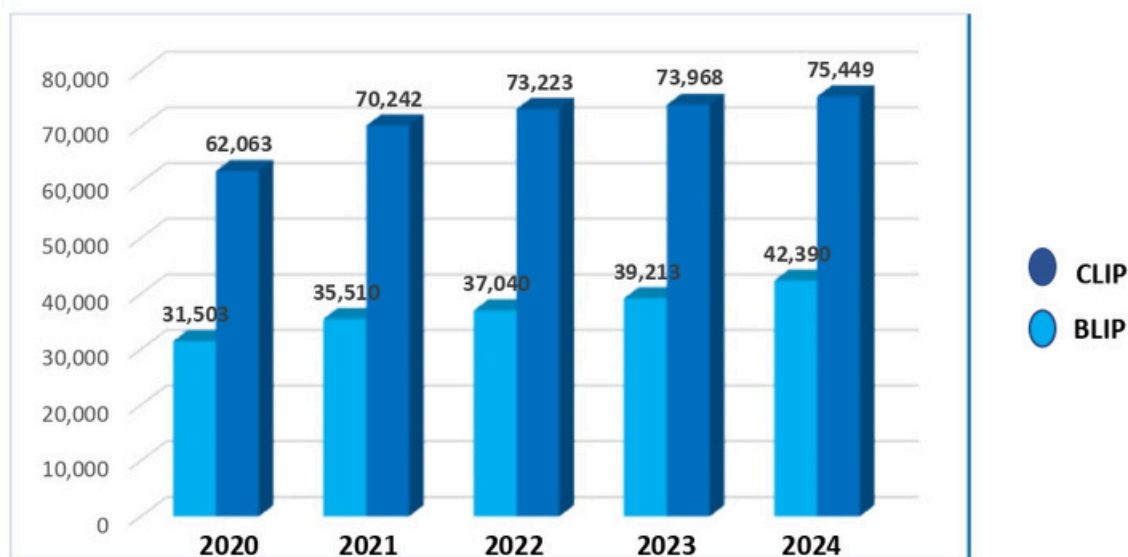
BLIP

YEAR	#POLICIES	SUM ASSURED
2020	31,503	1,587,750,000
2021	35,510	1,820,690,000
2022	37,040	1,965,300,000
2023	39,213	2,051,050,000
2024	42,390	2,225,120,000

CLIP

YEAR	#POLICIES	SUM ASSURED
2020	62,063	1,967,419,645
2021	70,242	2,308,986,364
2022	73,223	2,559,510,509
2023	73,968	2,964,729,569
2024	75,449	3,333,389,587

In 2024, we issued **42,390** policies for the Basic Life Insurance Plan (BLIP) with a total sum assured of **PHP2,225,120,000**, and **75,449** policies for the Credit Life Insurance Plan (CLIP) with a total sum assured of **PHP3,333,389,587**.

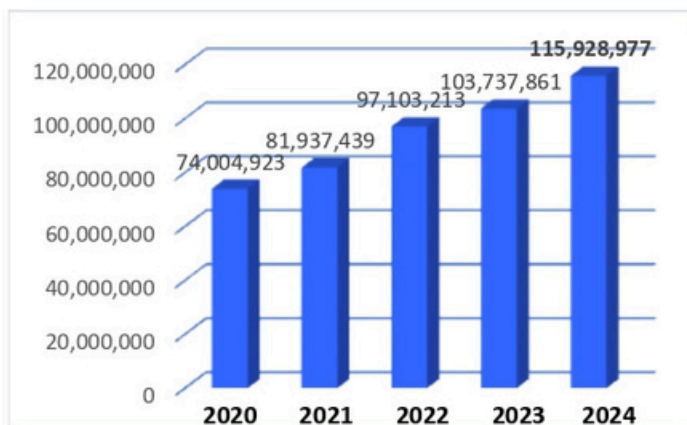


Usually, there are more issued policies under CLIP than BLIP as some members take out more than one (1) loan in a year.

NATCCO MBI insures loan of up to PHP3,000,000 for members 18-65 years old and up to PHP1,000,000 for members 66-70 years old.

ASSETS

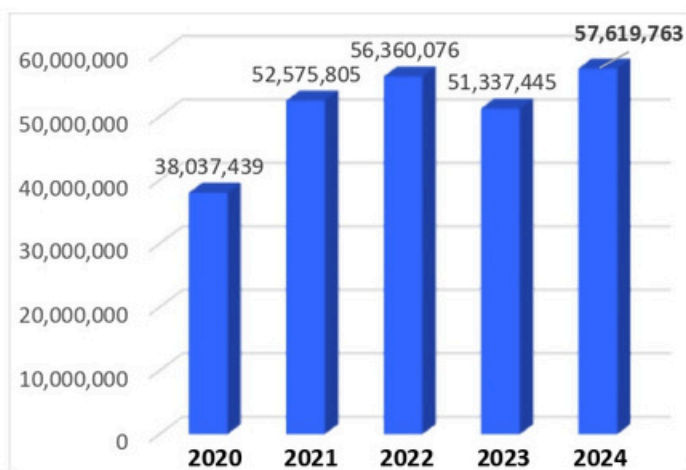
YEAR	ASSETS
2020	74,004,923
2021	81,937,439
2022	97,103,213
2023	103,737,861
2024	115,928,977



Our association continues to grow and by end of 2024, our asset grew to PHP115,928,977, that is 157% increase in five (5) years.

EARNED CONTRIBUTIONS

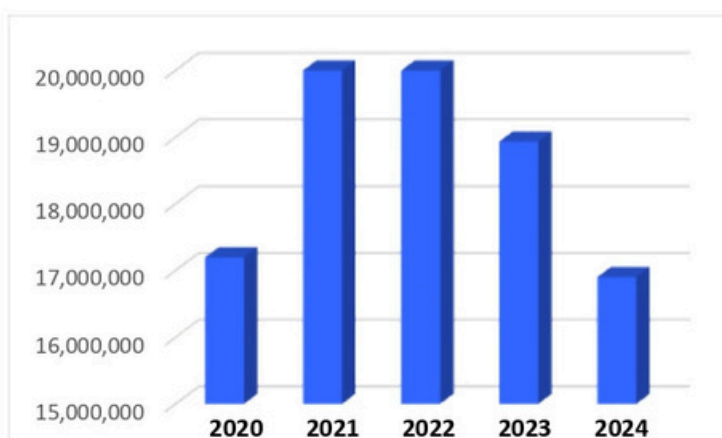
YEAR	EARNED CONTRIBUTIONS
2020	38,037,439
2021	52,575,805
2022	56,360,076
2023	51,337,445
2024	57,619,763



To be insured, a member-applicant must fill-out and sign the *NATCCO MBAI Application Form* and answer the *Health Questionnaire* and pay the corresponding premium. All monthly approved insurance applications are then submitted to the NATCCO MBAI head office, and all premiums must be remitted to the association as well. This ensures that all member-applicants are properly recorded and policies are issued, so that when claims arise, there will be ease in the release of claim benefits. It is not enough that the partner cooperatives/institutions send out the forms but the premiums are also paid on time. For the year 2024, total earned contributions from all microinsurance products is PHP57,619,763.

CLAIMS

YEAR	#CLAIMS	BENEFITS RELEASED
2020	464	17,197,006
2021	571	20,597,691
2022	553	20,506,315
2023	511	18,936,847
2024	442	16,903,616



True to its promise of providing financial assistance to the Members in times of death and sickness, NATCCO MBI made sure that all submitted claims were processed within three (3) working days. That is way beyond the IC policy for MBAs that valid claims should be released to the beneficiary in ten (10) working days. We take pride in this achievement as we truly value our relationship with our members.

For the year 2024, we received a total of four hundred forty-two (442) claims, and we released a total of PHP16,903,616 claim benefits. Most of the proceeds were released to the partner cooperatives but NATCCO MBI may also release the claim benefits directly to the beneficiaries.

COVERED MONTH	BLIP	CLIP	HIB	TOTAL
Jan	24	15	1	40
Feb	22	5	0	27
Mar	22	11	1	34
Apr	15	12	1	28
May	23	11	0	34
Jun	22	8	1	31
Jul	19	14	1	34
Aug	33	15	2	50
Sep	19	22	3	44
Oct	24	11	0	35
Nov	26	19	4	49
Dec	16	17	3	36
Total	265	160	17	442

COVERED MONTH	BLIP	CLIP	HIB	TOTAL
Jan	731,819	522,500	600	1,254,919
Feb	852,036	277,000	0	1,129,036
Mar	632,059	330,900	1,200	964,159
Apr	619,711	802,130	600	1,422,441
May	837,078	482,700	0	1,319,778
Jun	795,604	242,250	1,800	1,039,654
Jul	863,954	585,500	3,000	1,452,454
Aug	1,161,066	502,000	1,800	1,664,866
Sep	707,971	1,216,200	3,000	1,927,171
Oct	786,743	457,500	0	1,244,243
Nov	956,699	782,350	10,500	1,749,549
Dec	647,807	1,082,440	5,100	1,735,347
Total	9,592,546	7,283,470	27,600	16,903,616

Of the 442 claims, 57% of the benefits were released to the BLIP beneficiaries, 47% to CLIP beneficiaries, and less than 1% went to HIB beneficiaries.

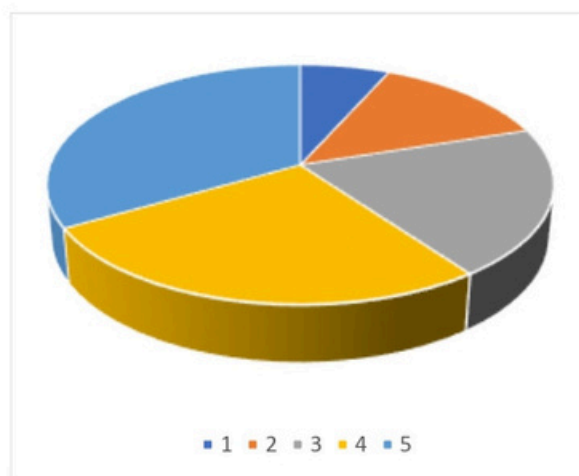
CAUSE OF DEATH	Female	Male	Grand Total
CARDIOVASCULAR DISEASE	93	79	172
RESPIRATORY DISEASE	49	53	102
CANCER	28	13	41
ACCIDENT	6	23	29
KIDNEY DISEASE	5	14	19
CEREBROVASCULAR DISEASE	4	8	12
LIVER DISEASE	1	7	8
MURDER	1	4	5
DIABETES	1	1	2
SUICIDE		2	2
PREGNANCY- RELATED DISEASE	1		1
UNDETERMINED NATURAL DEATH		1	1
OTHERS	19	29	48
Grand Total	208	234	442
	47%	53%	100%

Heart-related diseases still is the top cause of death. Of the deceased insureds, 53% were male and 47% were female.

98% of the claims received for the year 2024 were processed and released within 3 working days, only ten (10) were released beyond 3 days.

#Days/TAT	#Claims	TAT RATE
1	257	58.14%
2	155	35.07%
3	20	4.52%
4	9	2.04%
5	1	0.23%
Grand Total	442	100.00%

Within 1 Day	257	58.14%
within 3 Days	432	97.74%
Within 5 Days	442	100.00%



SEGURO

YEAR	S	E	G	U	R	O	TOTAL SCORE	RATING
2020	29	18	17	10	0	5	79	GOOD
2021	18	20	24	10	5	5	82	SATISFACTORY
2022	18	15	24	9	4	5	75	GOOD
2023	29	12.5	24	1	0	5	71.5	GOOD
2024	29	14	22	7	5	5	82	SATISFACTORY

S - OLVCENCY

E - FFICIENCY

G – OVERNANCE

U - NDERSTANDING OF THE PRODUCT BY THE INSURED

R – ATE OF GROWTH

O – UTREACH

SEGURO is a set of KPIS by which the microinsurance providers shall be evaluated and monitored by the Insurance Commission (IC) to ensure the stability, viability and the delivery of safe and sound products & services to their clients.

For 2024, NATCCO MBAI's SEGURO score is 82 and this translates to **"Satisfactory"**, and it means that the financial condition and operating performance of our association are satisfactory and can withstand business conditions. Resources are sufficient to sustain operations and pay obligations now and in the near term. NATCCO MBAI currently meets the needs of the insured and most of its clients understand the product. Board and management exhibit satisfactory performance and risk management practices are acceptable relative to its size, complexity of products and risk profile. Moderate weaknesses in operations are noted and can be addressed by management in the ordinary course of business.

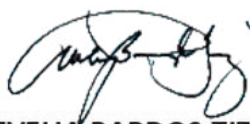
POLICIES CRAFTED AND REVIEWED

The operations implements all policies and rules set by the Board of Trustees. Crafting and reviewing policies is part of their deliverables. For 2024, two (2) new policies were crafted and these are the *Code of Ethics and Conduct* and *Retirement Policy*. Two (2) policies were also reviewed and revised and these are the *MOA between NATCCO MBAI and Partners* and the *Election Code*.

As we reflect on the achievements of 2024, we are filled with pride—and even more so, with optimism. Every milestone we reached this year was made possible by the trust, dedication, and unity of our partners and members. These accomplishments are not just a testament to what we can do—they are a promise of what lies ahead. With a strong foundation beneath us and a clear vision before us, we move forward into the future with confidence,

purpose, and hope. Together, we will continue to grow, innovate, and make a lasting impact for the generations to come.

And as we look ahead to 2025, our theme, **Safeguarding Futures: Strengthening Families Through Microinsurance**, reaffirms our mission and deepens our commitment. NATCCO MBI will continue to stand alongside low-income families, providing affordable insurance solutions that protect them from life's unexpected challenges, such as illness and accidents. Through the power of microinsurance, we are not just easing financial burdens — we are helping families rise stronger from adversity, build lasting stability, and dream boldly of a brighter, more secure future.



EVELIA BARDOS-TIZON

Chairperson



MINERVA G. TEJADA

CEO

OPERATIONS ***HIGHLIGHTS***



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

OPERATIONS HIGHLIGHTS

Total Number of Active Members with Inforce Policies	64,511
Total Number of Active BLIP Policies	72,418
Total Sum Assured of Active BLIP Policies	₱3,407,720,000
Total Number of Active CLIP Policies	46,913
Total Sum Assured of Active CLIP Policies	₱2,336,897,256
Total Amount of Contributions and Premiums Received	₱55,645,784
Total Amount of Claims Benefits Released	₱16,903,616
Total Assets	₱115,928,977
Percentage of Claims Released Within 3 days	99.77%
Percentage of Claims Released Within 10 days	100%
Basic Life Insurance Plan	
No. of Claims	265
Benefit Amount Released	₱9,592,546
Hospital Income Benefit	
No. of Claims	17
Benefit Amount Released	₱27,600
Credit Life Insurance Plan	
No. of Claims	160
Benefit Amount Released	₱7,283,470
CLAIMS APPROVED & DENIED	
APPROVED	420 (95%)
DENIED	22 (5%)
Grand Total	442

CORPORATE ***GOVERNANCE***

CORPORATE GOVERNANCE

I. CONFIRMATION STATEMENT

The NATCCO MBAI Board of Trustees, Officers, and Management Team confirm their full compliance with corporate governance. We define corporate governance as “the framework of rules, systems, and processes within the association that governs the performance of the Board of Trustees and Management in fulfilling their respective duties and responsibilities to members and stakeholders, including customers, employees, suppliers, financiers, the government, and the community in which the association operates.”

With this understanding, NATCCO MBAI commits to promoting fairness, transparency, and accountability in all its corporate actions and endeavors.

Fairness ensures that all members have their rights protected and are treated equitably. Promoting long-term shareholder value is essential. Trustees must dedicate the necessary time and attention to properly discharge their duties and responsibilities in return for the trust placed in them by members. The Board of Trustees has the duty to direct and manage the association in a fair, prudent, and just manner. Fairness is closely tied to ethical practice. The Board has the ultimate responsibility to foster a culture that promotes ethical conduct throughout the organization. A trustee must ensure that the company’s goals, strategies, policies, and practices are appropriate, ethical, legal, and morally sound. Additionally, trustees must not use their position for personal profit or to gain undue benefits or advantages for themselves or their related interests.

Accountability acknowledges that the Board of Trustees is answerable to its members. It is responsible for overseeing Management, which implements policies and strategic directions set by the Board. Accountability involves assigning responsibilities, measuring results, and utilizing policies, plans, risk management systems, and internal controls to ensure compliance with financial and legal obligations. In summary, the Board must take responsibility for the consequences of both action and inaction.

Transparency requires the Board of Trustees to ensure timely and accurate disclosure of all material matters, including financial performance and any foreseeable risks. It demands a system of checks and balances, as well as monitoring and reporting mechanisms based on accepted disclosure standards for both financial and non-financial information. Clear distinctions must be maintained among members, trustees, and managers. Whenever trustees assume multiple roles (e.g., Trustee/Committee Member), such roles should be disclosed accordingly.

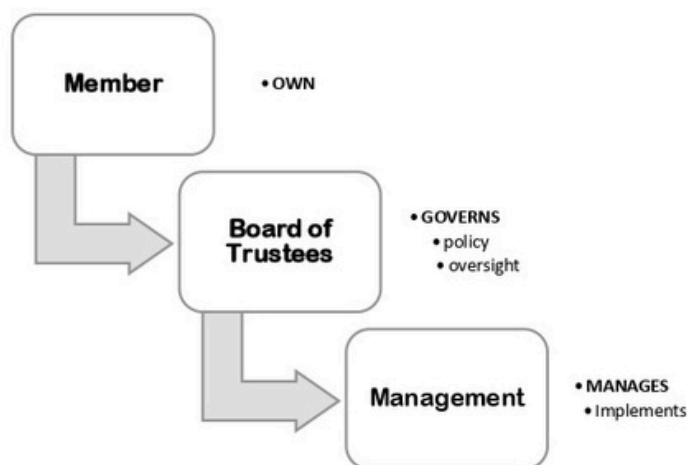
II. BASIC ROLES AND RELATIONSHIPS

The General Membership, as the owners of the Association, holds supreme authority. It exercises this power through the Annual Meeting, where it approves all official acts of the Association on an annual basis and elects the members of the Board of Trustees.

The Board of Trustees, composed of non-executive trustees and led by a non-executive chairperson, derives its power from the General Assembly through elections. It governs through strategic decisions, policies, and oversight and remains fully accountable to the General Assembly.

The Management Team, led by the CEO, is responsible for implementing the strategic plans, policies, and decisions of the Board of Trustees and is accountable to the Board.

The diagram below shows their respective positions and relationships:



Trustees serve as representatives of the members and are, therefore, accountable to them. Once elected to the Board, a trustee assumes fiduciary responsibilities and is not there to represent specific interests. As a governing body, the Board of Trustees provides strategic guidance to the Association, establishes policy directives, and approves policy initiatives proposed by Management. The Board sets performance standards, monitors company performance, and ensures that Management operates effectively.

As the head of the governing body, the Board Chairperson should establish rapport with members and remain accessible to them. The Chairperson, in particular, should be involved in oversight but refrain from interfering in the day-to-day operations of the business, which is the responsibility of Management. However, it is the Board—not Management—that is responsible for setting the overall direction of the company.

III. DECISION AREAS OF THE BOARD OF TRUSTEES AND MANAGEMENT

BOARD OF TRUSTEES	MANAGEMENT
Accountable to members	Accountable to Board
Concerned with idea decisions	Concerned with action decisions
Concerned with long-term decisions	Concerned with shorter-term decisions
Determines overall objectives	Decides how to carry out objectives
Establishes policies	Proposes policies and manages within approved policies
Approves goals	Proposes goals
Makes long range plans	Handles intermediate and short-term plans

IV. BOARD OF TRUSTEES

The Board of Trustees, composed of non-executive trustees and led by a non-executive chairperson, derives its power from the General Assembly through elections. It governs through strategic decisions, policies, and oversight and remains fully accountable to the General Assembly.

The Board consists of trustees who collectively possess the knowledge, experience, and expertise relevant to the Association's sector.

IV. BOARD OF TRUSTEES

The Board of Trustees, composed of non-executive trustees and led by a non-executive chairperson, derives its power from the General Assembly through elections. It governs through strategic decisions, policies, and oversight and remains fully accountable to the General Assembly.

The Board consists of trustees who collectively possess the knowledge, experience, and expertise relevant to the Association's sector.

INDEPENDENT BOARD OF TRUSTEES

Two (2) of the seven (7) members of the Board of Trustees are Independent Trustees. They are independent of Management and the controlling members and are free from any business or other relationships that could, or could reasonably be perceived to, materially interfere with their ability to exercise independent judgment in fulfilling their responsibilities as trustees.

BOARD MEETINGS

The Board of Trustees regularly meets quarterly and also holds special board meetings if there are matters that need to be discussed immediately.

For 2024, the NATCCO MBI Board of Trustees had a total of seven (7) meetings, four (4) Regular Board Meetings, and three (3) Special Board Meetings.

BOT		Romeo M. Magdaong	Evelia Bardos-Tizon	Jupiter B. Bonilla	Angel P. Garcia, Jr.	Leonardo S. Banga	Maria Jasmine J. Quidilla	Roberto A. Abao	Adolfo A. Ibañez
POSITION	DATE	Chairperson (Jan - May); Vice-Chairperson (June - Dec)	Chairperson (June - Dec)	Vice-Chairperson (Jan - May)	Regular Trustee	Regular Trustee	Regular Trustee	Independent Trustee	Independent Trustee
13TH ANNUAL MEETING									
Annual Meeting	5/31/2024	✓	✓	✓	✓	✓	✓	✓	✓
		1/1	1/1	1/1	1/1	1/1	1/1	1/1	1/1
ATTENDANCE		100%	100%	100%	100%	100%	100%	100%	100%
ORGANIZATIONAL MEETING									
Organizational Meeting	5/31/2024	✓	✓	✓	✓	✓	✓	✓	✓
		1/1	1/1	1/1	1/1	1/1	1/1	1/1	1/1
ATTENDANCE		100%	100%	100%	100%	100%	100%	100%	100%
BOARD MEETINGS									
Regular Board Meeting	2/24/2024	✓		✓	✓	✓	✓	✓	✓
Special Board Meeting	3/23/2024	✓		✓	✓	✓	✓	✓	✓
Special Board Meeting	5/30/2024	✓		✓	✓	✓	✓	✓	✓
Regular Board Meeting	6/17/2024	✓	✓		✓	✓	✓	✓	✓
Special Board Meeting	8/11/2024	✓	✓		✓	✓	✓	✓	✓
Regular Board Meeting	9/14/2024	✓	✓		✓	✓	✓	✓	✓
Regular Board Meeting	12/27/2024	✓	✓		✓	□	✓	✓	✓
		7/7	5/5	3/3	7/7	6/7	7/7	7/7	7/7
ATTENDANCE		100%	100%	100%	100%	89%	100%	100%	100%

V. BOARD COMMITTEES

Board committees are set up to support the effective performance of the Board's functions. They are empowered to carry out their functions. All committees are headed by a trustee who reports directly to the Board of Trustees. The Chair of a Committee is responsible for providing leadership to enhance the effective and independent functioning of the Committee in order to fulfill its duties.

1. CORPORATE GOVERNANCE-NOMINATION-REMUNERATION COMMITTEE

The Insurance Commission, through its Circular Letter 2020-71, *“Revised Corporate Governance for Insurance Commission-Regulated Companies,”* has recommended the establishment of a Corporate Governance Committee (CGC). The CGC shall be composed of at least five (5) members appointed by the Board of Trustees, with a cross-functional composition. Members will serve for a minimum of one (1) year from the date of appointment.

Effective 2022, NATCCO MBI placed the Nomination Committee (NOMCOM) and the Remuneration Committee (ReCom) under the CGC.

Committee Meetings:

COMMITTEE	DATE	Adolfo A. Ibañez	Robert Abao	Jupiter Bonilla	Leonardo S. Banga	Maria Jasmine J. Quidilla	Romeo Magdaong
		Committee Chairperson	Member	Member (Jan - May)	Resource Person	Resource Person	Member (June - Dec)
CGC - Nomination	1/19/2024	✓	✓	✓	✓	✓	
CGC - Nomination	4/26/2024	✓	✓	✓	✓	✓	
CGC	10/15/2024	✓	✓		✓	✓	✓
ATTENDANCE		3/3	3/3	2/2	3/3	3/3	1/1
		100%	100%	100%	100%	100%	100%

2. AUDIT-RPT-BOARD RISK OVERSIGHT COMMITTEE

The committee is composed of three (3) members, including two resource persons, and is headed by an Independent Trustee. All members must have the ability to read financial reports. Resource persons are also invited to meetings to assist in discussions and decision-making on important matters.

Effective 2022, due to its size, NATCCO MBI decided to place the Board Risk Oversight Committee (BROC) and the Related Party Transaction Committee (RPT) under the Audit Committee.

This committee serves as an effective system of internal control, ensuring the integrity of financial reports and the protection of the association’s assets for the benefit of all members.

Committee Meetings

COMMITTEE	DATE	Robert Abao	Adolfo A. Ibañez	Angel Garcia	Maria Jasmine J. Quidilla	Zorahayda A. Cafirma
		Committee Chairperson	Member	Member	Resource Person	Resource Person
Audit Committee	1/22/2024	✓	✓	✓	✓	✓
Audit - RPT	3/19/2024	✓	✓	✓	✓	✓
Audit Committee	10/7/2024	✓	✓	✓	✓	✓
Audit - RPT	12/22/2024	✓	✓	✓	✗	✓
ATTENDANCE		4/4	4/4	4/4	3/4	4/4
		100%	100%	100%	75%	100%

3. EXECUTIVE COMMITTEE

The Executive Committee (EXECOM) is composed of the Chairperson and Vice Chairperson of the Board of Trustees, along with the Board Treasurer and the President of the Operations Team. The EXECOM shall exercise the powers and perform the duties of the Board of Trustees during the period between Board meetings.

Committee Meetings

COMMITTEE	DATE	Romeo Magdaong	Evelia Bardos-Tizon	Jupiter Bonilla	Minerva G. Tejada	Zorahayda A. Cafirma
		Chairperson (Jan - May);	Chairperson (June - Dec)	Member (Jan - May)	Member	Member
EXECOM	1/18/2024	✓		✓	✓	✓
EXECOM	7/13/2023	✓	✓		✓	✓
EXECOM	10/12/2024	✓	✓		✓	✓
ATTENDANCE		3/3	3/3	2/2	3/3	3/3
		100%	100%	100%	100%	100%

4. POLICY REVIEW COMMITTEE

One of the powers of the NATCCO MBAI Board of Trustees is *“From time to time, promulgate rules and regulations consistent with these by-laws, and to review, revise or amend the same when it deems necessary for the management of the Association’s business and affairs”* (NATCCO MBAI Bylaws Art 6, Sec 1, paragraph a). To aid the Board of Trustees, Board Resolution # 24-2020 dated July 11, 2020 was passed, creating the Policy Review Committee (POLREVCOM).

Committee Meetings

COMMITTEE	DATE	Angel Garcia	Evelia Bardos-Tizon	Adolfo A. Ibañez	Zorahayda A. Cafirma	Romeo Magdaong	Maria Jasmine J. Quidilla
		Chairperson (Jan-May)	Chairperson (June - Dec)	Member	Member	Resource Person	Resource Person
POLREVCOM	5/10/2024	✓		✓	✓	✓	
POLREVCOM	9/3/2024	✓	✓	✓	✓	✓	✓
ATTENDANCE		2/2	1/1	2/2	2/2	2/2	1/1
		100%	100%	100%	100%	100%	100%

5. PRODUCT REVIEW AND DEVELOPMENT COMMITTEE

In response to the constantly changing needs of our members, the Board of Trustees deemed it necessary to create a committee that will conduct periodic reviews of current products and conduct research in order to develop new responsive products and services.

Board Resolution # 30-2020 dated Sept. 12, 2020, was passed, creating the Product Review and Development Committee (PRD COM).

Committee Meetings

BOT		Romeo Magdaong	Jupiter Bonilla	Leonardo S. Banga	Maria Jasmine J. Quidilla
POSITION	DATE	Chairperson	Member (Jan - May)	Member	Member (June _Dec)
PRD	1/6/2024	✓	✓	✓	
PRD	7/6/2024	✓		✓	✓
PRD	8/9/2024	✓		✓	✓
ATTENDANCE		3/3	1/1	3/3	2/2
		100%	100%	100%	100%

6. MARKETING COMMITTEE

To achieve the institutional vision of 300,000 - strong NATCCO MBI by 2025, the Board of Trustees passed Board Resolution # 50-2020 dated November 14, 2020, creating the Marketing Committee (MC) to set the strategic marketing direction of NATCCO MBI.

Committee Meetings

COMMITTEE	DATE	Jupiter Bonilla Chairperson (Jan - May)	Mildred C. Cerezo Chairperson (June - Dec)	Adolfo A. Ibañez Member (Jan - May)	Robert Abao Member (Jan - May)	Evelia Bardos-Tizon Member (June - Dec)	Maria Jasmine J. Quidilla Member (June - Dec)
MARKETING	2/10/2024	✓	✓	✓	✓		
MARKETING	7/29/2024		✓			✓	✓
MARKETING	10/8/2024		✓			✓	✓
ATTENDANCE		1/1	3/3	1/1	1/1	2/2	2/2
		100%	100%	100%	100%	100%	100%

7. MANAGEMENT INFORMATION SYSTEM (MIS) COMMITTEE

To guide the management team in the process transition from manual to automated, the Board of Trustees created the Management Information System (MIS) Committee in 2019.

Committee Meetings

COMMITTEE	DATE	Leonardo S. Banga Chairperson	Angel Garcia Member	Maria Jasmine J. Quidilla Member
MIS	8/10/2024	✓	✓	✓
MIS	11/26/2024	✓	✗	✗
ATTENDANCE		2/2	1/2	1/2
		100%	50%	50%

8. INVESTMENT COMMITTEE

The committee is composed of the Board Chairperson, Board Treasurer, one (1) Regular Trustee, and the President of the Operations Team. It reviews and recommends investment policies, including objectives and strategies, for Board approval. Additionally, the committee recommends the selection of investment managers, custodians, consultants, and other investment professionals as appropriate for Board approval.

Committee Meeting

COMMITTEE	DATE	Zorahayda A. Cafirma Chairperson (June - Dec)	Romeo Magdaong Member	Angel Garcia Member
INVESTMENT	12/30/2024	✓	✓	✓
ATTENDANCE		1/1	1/1	1/1
		100%	100%	100%

VI. INDEPENDENT CHECKS AND BALANCES

Guided by the association's core values of integrity and excellence, independent checks and balances are regularly conducted with the support of its auditors.

Internal Auditor

The Board of Trustees annually appoints an Internal Auditor to ensure the effectiveness of internal control measures. For the year 2024, Ms. Sheryll Anne A. Bangalan was appointed to this position.

External Auditor

Recommended by the Audit Committee and approved by the Board of Trustees, Aquino, Mata, Calica, and Associates (AMC & Associates) served as the External Auditor of NATCCO MBI. With an audit fee of P70,000.00 (+12% VAT), along with all other expenses incurred during the audit period, AMC & Associates audited the association's 2023 Financial Statement, which was affirmed by the Board of Trustees on May 30, 2024.

Additionally, the appointment of AMC & Associates was confirmed by the general assembly during the 2024 Annual Meeting of NATCCO MBI.

Non-Audit Function

AMC & Associates was also commissioned to perform non-audit functions, specifically as an independent body responsible for checking and validating the process and results of the Board of Trustees election. The fee for this service was P25,000.00 (+12% VAT), along with all other expenses incurred during the event.

Company Compliance

To ensure compliance with all regulatory bodies, particularly the Insurance Commission, the Board of Trustees appointed a Compliance Officer and an Alternative Compliance Officer. The Compliance Officer is also responsible for implementing corrective actions recommended by internal and external auditors.

VII. CODE OF ETHICS AND CONDUCT

The NATCCO MBI Code of Ethics and Conduct serves as the foundation for how officers and employees conduct business. It embodies NATCCO MBI's core values, guiding ethical behavior whenever and wherever they act on behalf of the organization.

The insurance business is built on public trust. Therefore, all NATCCO MBI officers and employees must uphold the highest standards of responsibility, integrity, loyalty, and efficiency, remaining fully accountable to stakeholders.

NATCCO MBI is committed to the responsible and innovative use of all company resources, particularly human resources at all levels. Each individual plays a critical role in achieving the organization's objectives. This Code of Ethics and Conduct equips the Association with a clear understanding of corporate culture, rules, and regulations.

As a matter of policy, all officers and employees must comply with all applicable laws and regulations at all times. NATCCO MBI does not condone any activities that achieve results through legal violations or unethical business practices.

VIII. RELATED PARTY TRANSACTION

The Board of Trustees holds overall responsibility for ensuring the establishment of a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequent transactions, particularly those exceeding certain materiality thresholds. The policy ensures that all material or significant RPTs undergo appropriate review and approval, guaranteeing fairness and transparency. It applies to all entities within the group, considering their size, structure, risk profile, and operational complexity.

Maintaining the integrity of related party transactions is a key fiduciary duty of the trustees. The Board is responsible for initiating policies and measures aimed at preventing abuse, promoting transparency, and ensuring compliance with all applicable laws and regulations to protect the interests of all members.

IX. TRANSPARENCY AND DISCLOSURE

Ensuring the members and stakeholders are updated on the processes and whereabouts of the association, NATCCO MBI communicates to them through different channels:

- **Website** (www.natccombai.com) This contains the manuals and policies of the association, as well as the AFS, Annual Reports, minutes of the meetings, and other important information for the members.
- **Facebook Page** (<https://www.facebook.com/natccombaiofficial>) for faster and easier connection to the members, the association utilizes also FB in communicating with members.
- **Hotline** (02-8962 3408; 0998-594 6712) in all activities and campaigns for the members and stakeholders, the NATCCO MBI is publishing these contact numbers to inform the public that they can reach the association anytime.

X. STAKEHOLDERS' INTERESTS

Stakeholders, especially members, are at the core of NATCCO MBI's existence. Providing them with the best programs and services remains the organization's top priority.

Customer Welfare Policy

NATCCO MBI's Customer Welfare Policy promotes fairness and transparency in its business dealings with members and partner cooperatives. The Association is committed to meeting customers' quality standards in a mutually fair and satisfactory manner while upholding the highest standards of business ethics.

To ensure customer safety and welfare, NATCCO MBI strictly complies with all relevant laws, rules, and regulations set by the Philippine government.

Anti-Corruption Policy



Corruption is a form of dishonesty or criminal offense committed by individuals or organizations entrusted with authority, often for illicit gain or abuse of power.

Employees, by virtue of their employment, are entrusted with responsibilities that must not be exploited for personal or financial gain beyond their rightful compensation. Employees must uphold the highest standards of honesty and professional conduct. Any attempt to seek undue financial or material benefits from transactions with the Association constitutes a breach of trust.

NATCCO MBI values its reputation for ethical behavior, financial integrity, and reliability. It recognizes that beyond legal implications, any involvement in bribery or corruption will negatively impact the organization's image and reputation.

Environment-Friendly Value Chain Policy

NATCCO MBI is committed to protecting the environment and ensuring the health and safety of its employees, members, customers, and the community.

The Association shall continue to:

- a. Adopt systems that promote environmental protection, occupational health and safety, and compliance with relevant statutory and regulatory requirements.
- b. Seek ways to efficiently use materials and energy.
- c. Review and improve its safety, health, and environmental performance.
- d. Communicate environmental initiatives to employees, the public, and relevant authorities.
- e. Encourage employee-led initiatives that promote safe and environmentally friendly practices at home and in the community.

Safeguarding Creditors' Rights

The NATCCO MBI Code of Conduct establishes ethical standards and policies designed to uphold the organization's reputation for responsibility and integrity in all dealings with members, cooperative partners, suppliers, creditors, competitors, and society as a whole. Every employee is responsible for protecting the interests and integrity of the Association while maintaining the highest standards of conduct to ensure excellence in both individual and corporate performance.

NATCCO MBI's primary creditors are its suppliers. In all transactions with suppliers of goods and services, the Association upholds the highest standards of integrity to maintain trust and fairness in its business relationships.

Dividend Policy / Policy on Funds Assigned for Member's Equity Enhancement

NATCCO MBI is a non-stock, non-profit association established to provide financial assistance to its members through death benefits, sickness benefits, provident savings, and loan redemption assistance. Beyond these insurance benefits, mutual benefit associations (MBAs) offer additional advantages to their members.

As stated in the Insurance Code of the Philippines (Republic Act 10607, Section 408, Paragraph 3):

"A mutual benefit association shall only maintain a free and unassigned surplus of not more than twenty percent (20%) of its total liabilities, as verified by the Commissioner. Any excess amount shall be returned to members through dividends, equity value enhancements, benefits in kind, or other relevant services. Additionally, subject to the approval of the Commissioner, a mutual benefit association may allocate a portion of the surplus for capacity building and research and development, including product and service innovation, system and equipment upgrades, and continuing member education."

In line with this provision, NATCCO MBI ensures that any free and unassigned surplus exceeding the 20% threshold is returned to members in the form of equity value enhancements, benefits in kind, or other relevant services. Furthermore, with the Commissioner's approval, a portion of the surplus may be allocated to capacity building and research and development, supporting initiatives such as:

- Developing new products and services
- Upgrading and improving operating systems and equipment
- Enhancing continuing education programs for members

Whistleblowing Policy

Established on June 19, 2018, the Whistleblowing Policy aims to empower employees and members to report concerns about unethical behavior, misconduct, or malpractice while mitigating risks and potential losses through the early detection of irregular activities.

NATCCO MBI is committed to fostering open communication and providing a safe and confidential internal reporting channel. The policy ensures:

- The ability to make anonymous disclosures
- Protection of whistleblowers from retaliation under specific conditions
- A structured process for addressing concerns

This policy applies to all reports or information related to actual or suspected:

- Fraud and misconduct
- Unlawful acts or omissions
- Violations of the Code of Conduct
- Threats to health and safety
- Improprieties or malpractices in the workplace
- Issues related to financial reporting, internal control, or auditing

All employees, regardless of position or rank, who witness irregularities in the workplace are obligated to report them personally or in writing to their unit head or any officer, either verbally or in writing.

XI. EMPLOYEES AND MEMBERS DEVELOPMENT PROGRAM

Annual Physical Exam (APE)

As part of its employee health and wellness program, NATCCO MBI encourages all qualified employees to undergo an Annual Physical Exam (APE). This initiative promotes preventive healthcare, allowing employees to monitor their current health status and take early action against potential illnesses. On June 21, 2024, 12 employees participated in the APE.

Training and Development

NATCCO MBAI is committed to continuous learning and professional growth. The organization emphasizes job performance assessments, staff training, and skills development as key performance indicators to enhance employee capabilities.

As a member of MiMAP (Rimansi), employees are encouraged to attend trainings relevant to their roles and apply their newly acquired knowledge to improve their day-to-day performance.

Additionally, NATCCO MBAI conducts annual learning sessions for its members. These sessions provide a comprehensive discussion of products and services, ensuring that members fully understand their benefits while addressing any questions or concerns.

MULLINS, MA. CHERISH S.	MIS Unit Head	
2023 Annual Statement Workshop	Rimansi	04/16/2024
Non-life Products and Claims Process	RMSI	04/17/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024
AQUINO, MA. ELIZABETH B.	MIS Staff 2	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
2023 Annual Statement Workshop	Rimansi	04/16/2024
Non-life Products and Claims Process	RMSI	04/17/2024
New Financial Reporting Framework & Compliance Requirement	RIMANSI / IC	08/27/2024
Data Privacy Impact Assessment	RIMANSI / NPC	08/27/2024
Investment Options: T-Bills and Corporate Bonds	RIMANSI / BPI WEALTH	08/27/2024
Raising the Bar in Good Governance Practices: Learning from the Golden Arrow Awardees	RIMANSI / KMBA	08/27/2024
NPV to Gross Premium Valuation: What will it take?	RIMANSI / AAI	08/28/2024
Standardizing Mi-MBA Data Definitions for Greater Reliability	RIMANSI / AAI	08/28/2024
Strengthening Mi-MBA Solvency and RBC: Proposed KPI Enhancements	RIMANSI	08/29/2024
IFRS 17 and Mi-MBA Product Redesign	RIMANSI	08/29/2024
VAPT: Basic Cybersecurity Assessment for Online Channels	RIMANSI / Graybox Security	08/29/2024
Expecting the Unexpected: Tools for Mi-MBA Business Continuity	RIMANSI	08/30/2024
Member Segmentation for Deepening Outreach	RIMANSI	08/30/2024
People Challenge: How to Maintain Happier Management Staff	RIMANSI / ASKI	08/30/2024
Evolving Roles of Mi-MBA Coordinators	RIMANSI / CARD MBA	08/30/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024

DEL MONTE, SHAIRA MAE M.	MIS Staff 1	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
Non-life Products and Claims Process	RMSI	04/17/2024
ESTOCADA, JENNIFER M.	Claims Unit Head	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
2023 Annual Statement Workshop	Rimansi	04/16/2024
Non-life Products and Claims Process	RMSI	04/17/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024
BADERE, ERICKA JORCE D.	Claims Staff	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
Non-life Products and Claims Process	RMSI	04/17/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024
DELA CRUZ, JENIÑA DJ.	Marketing Officer 2	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
Joint Alignment and Consultation Workshop	RMSI	04/17/2024
Non-life Products and Claims Process	RMSI	04/17/2024
Digital Marketing and Salesmanship	NATCCO	08/12/2024
DE CASTRO, EDUARDO C.	Marketing Officer 1	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
Non-life Products and Claims Process	RMSI	04/17/2024

Digital Marketing and Salesmanship	NATCCO	08/12/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024
YUGO, YANI M.	Accounting Unit Head	
2023 Annual Statement Workshop	Rimansi	04/16/2024
Non-life Products and Claims Process	RMSI	04/17/2024
New Financial Reporting Framework & Compliance Requirement	RIMANSI / IC	08/27/2024
Data Privacy Impact Assessment	RIMANSI / NPC	08/27/2024
Investment Options: T-Bills and Corporate Bonds	RIMANSI / BPI WEALTH	08/27/2024
Raising the Bar in Good Governance Practices: Learning from the Golden Arrow Awardees	RIMANSI / KMBA	08/27/2024
NPV to Gross Premium Valuation: What will it take?	RIMANSI / AAI	08/28/2024
Standardizing Mi-MBA Data Definitions for Geater Reliability	RIMANSI / AAI	08/28/2024
Strengthening Mi-MBA Solvency and RBC: Proposed KPI Enhancements	RIMANSI	08/29/2024
IFRS 17 and Mi-MBA Product Redesign	RIMANSI	08/29/2024
VAPT: Basic Cybersecurity Assessment for Online Channels	RIMANSI / Graybox Security	08/29/2024
Expecting the Unexpected: Tools for Mi-MBA Business Continuity	RIMANSI	08/30/2024
Member Segmentation for Deepening Outreach	RIMANSI	08/30/2024
People Challenge: How to Maintain Happier Management Staff	RIMANSI / ASKI	08/30/2024
Evolving Roles of Mi-MBA Coordinators	RIMANSI / CARD MBA	08/30/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024
MARIANO, SUNSHINE O.	Accounting Staff	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
Non-life Products and Claims Process	RMSI	04/17/2024
New Financial Reporting Framework & Compliance Requirement	RIMANSI / IC	08/27/2024
Data Privacy Impact Assessment	RIMANSI / NPC	08/27/2024
Investment Options: T-Bills and Corporate Bonds	RIMANSI / BPI WEALTH	08/27/2024
Raising the Bar in Good Governance Practices: Learning from the Golden Arrow Awardees	RIMANSI / KMBA	08/27/2024
NPV to Gross Premium Valuation: What will it take?	RIMANSI / AAI	08/28/2024
Standardizing Mi-MBA Data Definitions for Geater Reliability	RIMANSI / AAI	08/28/2024

Strengthening Mi-MBA Solvency and RBC: Proposed KPI Enhancements	RIMANSI	08/29/2024
IFRS 17 and Mi-MBA Product Redesign	RIMANSI	08/29/2024
VAPT: Basic Cybersecurity Assessment for Online Channels	RIMANSI / Graybox Security	08/29/2024
Expecting the Unexpected: Tools for Mi-MBA Business Continuity	RIMANSI	08/30/2024
Member Segmentation for Deepening Outreach	RIMANSI	08/30/2024
People Challenge: How to Maintain Happier Management Staff	RIMANSI / ASKI	08/30/2024
Evolving Roles of Mi-MBA Coordinators	RIMANSI / CARD MBA	08/30/2024
PATAWARAN, ARMEL JAIRUS D.	Accounting Staff	
Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
2023 Annual Statement Workshop	Rimansi	04/16/2024
Non-life Products and Claims Process	RMSI	04/17/2024
New Financial Reporting Framework & Compliance Requirement	RIMANSI / IC	08/27/2024
Data Privacy Impact Assessment	RIMANSI / NPC	08/27/2024
Investment Options: T-Bills and Corporate Bonds	RIMANSI / BPI WEALTH	08/27/2024
Raising the Bar in Good Governance Practices: Learning from the Golden Arrow Awardees	RIMANSI / KMBA	08/27/2024
NPV to Gross Premium Valuation: What will it take?	RIMANSI / AAI	08/28/2024
Standardizing Mi-MBA Data Definitions for Geater Reliability	RIMANSI / AAI	08/28/2024
Strengthening Mi-MBA Solvency and RBC: Proposed KPI Enhancements	RIMANSI	08/29/2024
IFRS 17 and Mi-MBA Product Redesign	RIMANSI	08/29/2024
VAPT: Basic Cybersecurity Assessment for Online Channels	RIMANSI / Graybox Security	08/29/2024
Expecting the Unexpected: Tools for Mi-MBA Business Continuity	RIMANSI	08/30/2024
Member Segmentation for Deepening Outreach	RIMANSI	08/30/2024
People Challenge: How to Maintain Happier Management Staff	RIMANSI / ASKI	08/30/2024
Evolving Roles of Mi-MBA Coordinators	RIMANSI / CARD MBA	08/30/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	09/24/2024
MONTON, IVAN MARI R.	Administrative Staff	

Microinsurance Forum: Microinsurance Policy Issues	Rimansi	01/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	Rimansi	01/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	Rimansi	01/24/2024
Non-life Products and Claims Process	RMSI	04/17/2024

XII. BOT and OFFICERS's Trainings

Aside from employees, the Board of Trustees also attended trainings.

MAGDAONG, ROMEO M.	CHAIRPERSON	
COURSE	PROVIDER	DATE
Microinsurance Forum: Microinsurance Policy Issues	RIMANSI	1/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	RIMANSI	1/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	RIMANSI	1/24/2024
Information Security Awareness Training	NMBAI	2/21/2024

BONILLA, JUPITER B.	VICE CHAIRPERSON	
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

GARCIA JR, ANGEL P.	BOT	
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

QUIDILLA, MARIA JASMINE J.	BOT	
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

BANGA, LEONARDO S.	BOT	
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

IBAÑEZ, ADOLFO A.	BOT	
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

ABAO, ROBERTO A.	BOT	
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

TEJADA, MINERVA G.		OFFICER / PRESIDENT
COURSE	PROVIDER	DATE
Microinsurance Forum: Microinsurance Policy Issues	RIMANSI	1/24/2024
Microinsurance Forum: Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency	RIMANSI	1/24/2024
Microinsurance Forum: Digital Technology for Enhanced Customer Experience	RIMANSI	1/24/2024
2023 Annual Statement Workshop	RIMANSI	4/16/2024
Joint Alignment and Consultation Workshop	RMSI	4/17/2024
Non-life Products and Claims Process	RMSI	4/17/2024
New Financial Reporting Framework & Compliance Requirement	RIMANSI / IC	8/27/2024
Data Privacy Impact Assessment	RIMANSI / NPC	8/27/2024
Investment Options: T-Bills and Corporate Bonds	RIMANSI / BPI WEALTH	8/27/2024
Raising the Bar in Good Governance Practices: Learning from the Golden Arrow Awardees	RIMANSI / KMBA	8/27/2024
NPV to Gross Premium Valuation: What will it take?	RIMANSI / AAI	8/28/2024
Standardizing Mi-MBA Data Definitions for Greater Reliability	RIMANSI / AAI	8/28/2024
Strengthening Mi-MBA Solvency and RBC: Proposed KPI Enhancements	RIMANSI	8/29/2024
IFRS 17 and Mi-MBA Product Redesign	RIMANSI	8/29/2024
VAPT: Basic Cybersecurity Assessment for Online Channels	RIMANSI / Graybox Security	8/29/2024
Expecting the Unexpected: Tools for Mi-MBA Business Continuity	RIMANSI	8/30/2024
Member Segmentation for Deepening Outreach	RIMANSI	8/30/2024
People Challenge: How to Maintain Happier Management Staff	RIMANSI / ASKI	8/30/2024
Evolving Roles of Mi-MBA Coordinators	RIMANSI / CARD MBA	8/30/2024
Compliance Learning Circle: On Time, No Fine!	RIMANSI	9/24/2024

CEREZO, MILDRED C.		OFFICER, Secretary
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

BANGALAN, SHERYLL ANNE A.		OFFICER, Auditor
COURSE	PROVIDER	DATE
Information Security Awareness Training	NMBAI	2/21/2024

TREASURER'S REPORT



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

TREASURER'S REPORT

This 2024, NATCCO MBI's financial performance remains steadfast, reflecting our commitment to prudent financial management and responsible stewardship of resources. Our continued focus on sustainability, efficiency, and strategic investments has resulted in strong cash flow growth and a healthy financial position by year-end.

Cash Flow Overview:

Cash Flow Components	2023	2024
Cash Flow from Operations	₱8,909,117	₱11,392,956
Cash Flow from Investing	-₱2,604,426	₱3,455,263
Net Increase in Cash	₱6,304,691	₱14,848,219
Beginning Cash Balance	₱16,113,095	₱22,417,786
Ending Cash Balance	₱22,417,786	₱37,266,005

Key Highlights:

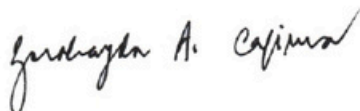
Operational Strength: Cash flow from operations rose by over ₱2.5 million, demonstrating consistent income generation and operational efficiency.

Turnaround in Investments: A shift from negative to positive investing cash flows (+₱6.1 million swing) indicates strategic investments that are now yielding returns.

Improved Liquidity: Net cash inflow more than doubled from ₱6.3 million in 2023 to ₱14.8 million in 2024—reflecting significant improvement in cash management.

Stronger Year-End Position: The ending cash balance grew by ₱14.8 million, from 2024 with ₱37.3 million in cash, from year 2023 of ₱22.4 million.

NMBAI enters 2025 on solid financial footing, thanks to sound financial planning, effective resource allocation, and the dedication of our Board of Trustee and management teams. We remain committed to building financial resilience, supporting our mission, and delivering value to our members.



ZORAHAYDA A. CAFIRMA
Treasurer



COMMITTEE REPORTS



CORPORATE GOVERNANCE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEES

2024 ACCOMPLISHMENT REPORT

COMMITTEE MANDATE:

The Corporate Governance Committee (CGC) is tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. The CGC is tasked with ensuring compliance with and proper observance of corporate governance principles and practices.

RESPONSIBILITIES:

- Oversees the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the corporation's size, complexity and business strategy, as well as its business and regulatory environments;
- Oversees the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
- Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
- Recommends continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
- Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
- Proposes and plans relevant trainings for the members of the Board; and
- Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the corporation's culture and strategy as well as the business environment in which it operates.

ACCOMPLISHMENTS:

1. Formulated a policy on the unremitted premiums by the partner institution/s
2. Facilitated the election of the 2024 Board of Trustees during NMBAI's 13th Annual Meeting
3. Revision of the NATCCO MBI Election Code:
Amended Article IV and added items on the qualifications & disqualifications of candidates
4. Formulated a policy on the member's personal representation on the Annual Meeting


MEMBERS:

- | | |
|------------------------------|------------------|
| 1. Adolfo A. Ibañez | Chairperson |
| 2. Roberto A. Abao | Vice-Chairperson |
| 3. Romeo M. Magdaong | Member |
| 4. Leonardo S. Banga | Resource Person |
| 5. Maria Jasmine J. Quidilla | Resource Person |

Good governance is critical in every organisation, both profit and non-profit because it serves as the compass that guides the direction of the firm.

Your Corporate Governance Committee works to help ensure NMBAI's compliance with the laws, rules and regulations set by government regulators.

Listed hereunder are the activities and actions taken by the Committee during the past year 2024. We hope that these activities contributed to the over-all performance of our organisation.



ADOLFO A. IBAÑEZ
Committee Chairperson



AUDIT COMMITTEE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

AUDIT, RELATED PARTY TRANSACTION and BOARD RISK OVERSIGHT COMMITTEES

2024 ACCOMPLISHMENT REPORT

COMMITTEE MANDATE:

The Audit Committee is established to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations. The committee should be composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman, should be independent. All of the members of the committee must have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing, and finance. The Chairman of the Audit Committee should not be the chairman of the Board or of any other committees.

RESPONSIBILITIES:

- Recommends the approval of the Internal Audit Charter (IA Charter), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
- Through the Internal Auditor (IA), monitors and evaluates the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. Well-designed internal control procedures and processes that will provide a system of checks and balances should be in place to:
 - (a) safeguard the company's resources and ensure their effective utilization
 - (b) prevent the occurrence of fraud and other irregularities,
 - (c) protect the accuracy and reliability of the company's financial data, and
 - (d) ensure compliance with applicable laws and regulations.
- Recommends the appointment and removal of the company's external auditor.
- Assessing the integrity and independence of external auditors;
- Exercising effective oversight to review and monitor the external auditor's independence and objectivity; and
- Exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.
- Before the commencement of the audit, discusses with the External Auditor the nature, scope and expenses of the audit, and ensures the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
- Evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to him and to the corporation's overall consultancy expenses. The committee should disallow any non-audit work that will conflict with his duties as an External Auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the corporation's Annual Report and Annual Corporate Governance Report;
- Reviews and approves the interim and Annual Financial Statements before their submission to the Board, with particular focus on the following matters:

- Any change/s in accounting policies and practices;
 - Areas where a significant amount of judgment has been exercised;
 - Significant adjustments resulting from the audit;
 - Going concern assumptions;
 - Compliance with accounting standards; and,
 - Compliance with tax, legal, and regulatory requirements.
- Review the disposition of the recommendations in the External Auditor's management letter;
 - Performs oversight functions over the corporation's Internal and External Auditors. It ensures the independence of Internal and External Auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
 - Coordinates monitors and facilitates compliance with laws, rules and regulations; recommends to the Board the appointment, reappointment, removal and fees of the External Auditor, duly accredited by the Commission, who undertakes an independent audit of the corporation, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the members.

ACCOMPLISHMENTS:

1. Review and approval of the NATCCO MBAI 2024 Audited Financial Statements prior to Board approval

MEMBERS:

- | | |
|------------------------------|-----------------|
| 1. Roberto A. Abao | Chairperson |
| 2. Adolfo A. Ibañez | Member |
| 3. Angel P. Garcia, Jr. | Member |
| 4. Zorahayda A. Cafirma | Resource Person |
| 5. Maria Jasmine J. Quidilla | Resource Person |

MESSAGE OF CHAIRPERSON

As the Chairperson of the Audit Committee, I want to take a moment to thank you for being a part of NATCCO Mutual Benefit Association, Inc. (NMBAI). You are the heart of this association, and everything we do is for your benefit. I want to take this opportunity to reaffirm our commitment to financial integrity, transparency, and accountability within NMBAI.

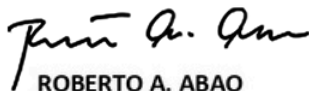


NMBAI exists to provide its members financial security in times of need. The Audit Committee has the oversight role in ensuring that our resources are managed responsibly, our financial records are accurate, and all transactions adhere to the highest standards of governance and compliance.

We remain dedicated thru our internal and external auditors in conducting thorough and independent audits, reviewing financial reports, and implementing best practices to safeguard our Association's assets. We encourage everyone to uphold fairness, accountability and transparency. Transparency is the key in maintaining a member's trust because your trust indeed matters to us.

Our job in the Audit Committee is simple but important: to make sure your contributions are handled with honesty, transparency, and care. Through our internal and external auditors, we review the finances, check the records, and ensure that every peso is used wisely to serve our members, ensuring NMBAI remains strong for years to come. After all, NMBAI belongs to all of us

Together, we continue to strengthen NMBAI, fostering a culture of trust, responsibility, and shared benefits for all members. Thank you for your unwavering support and active participation.



ROBERTO A. ABAO
Committee Chairperson



PRODUCT REVIEW & DEVELOPMENT COMMITTEE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

PRODUCT REVIEW AND DEVELOPMENT (PRD) COMMITTEE

2024 ACCOMPLISHMENT REPORT

COMMITTEE MANDATE:

In response to the constantly changing needs of members, the Product Review and Development (PRD) Committee is created. It will conduct periodic reviews of current products and conduct research in order to develop new responsive products and services.

- Review of current products and services
 - Assess product performance of all existing products and services at least once a year.
 - Provide recommendations in terms of maintenance, enhancement or phase out of products and services.
- New products and services
 - Conduct market research and studies in order to come up with in-demand and applicable products and services for the members at least once a year.
- Evaluation of Insurance Partnership
- Fulfill other duties or responsibilities related to product review and development as delegated by the Board of Trustees from time to time.

ACCOMPLISHMENTS:

1. Formulation of policy on the Release of Equity Value to Members under Matured Membership Status

MEMBERS:

- | | |
|------------------------------|-------------|
| 1. Romeo M. Magdaong | Chairperson |
| 2. Leonardo S. Banga | Member |
| 3. Maria Jasmine J. Quidilla | Member |

CHAIRPERSON MESSAGE:

To All Members/Partners of NATCCO MBI,

On behalf of the Product Review and Development (PRD) Committee, it is with great enthusiasm that I extend my warmest greetings to all members/partners of NATCCO MBI. As we navigate an ever-evolving Insurance Industry landscape, our commitment to providing inclusive and accessible microinsurance products remains steadfast.

Microinsurance plays a crucial role in empowering low-income member individuals and underserved communities by offering financial protection against unforeseen risks. Our committee is dedicated to reviewing, enhancing, and developing products that meet the unique needs of our members while ensuring affordability, sustainability, and compliance with regulatory frameworks of the Insurance Commission.

Our mandate remains steadfast: to anticipate and meet the evolving needs of our members while upholding the values of integrity, compassion and excellence. In line with this PRD Committee will continue the diligent efforts in assessing market trends, gathering customer insights, and refining our product offerings. Together, we can drive meaningful impact and contribute to a more inclusive and secured customer/members.

Thank you for your loyalty and commitment to NATCCO MBI. I look forward to working with all of you to advance our mission and achieve greater milestones in microinsurance development.



ROMEO M. MAGDAONG
Committee Chairperson



INVESTMENT COMMITTEE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

INVESTMENT COMMITTEE

MEMBERS:

- | | |
|-------------------------|-------------|
| 1. Zorahayda A. Cafirma | Chairperson |
| 2. Romeo M. Magdaong | Member |
| 3. Angel P. Garcia, Jr. | Member |

MESSAGE:

Greetings to everyone!

As we gather for this year's annual meeting, we extend our appreciation for your continued trust and support. The Investment Committee is pleased to present our report, highlighting key activities and decisions made over the past year.

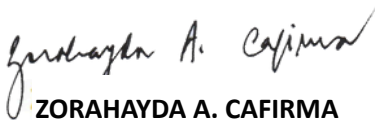
The committee held only one meeting, as we assessed that our investments carried minimal risk. Instead, our focus was on reviewing the Investment Policy to ensure alignment with IC Advisory No. RS-2024-024.

Looking ahead, the Investment Committee will focus on strengthening our portfolio through the following strategies:

1. Diversification – We will continue to invest in a mix of assets, including fixed deposits, government bonds, and selected equities, to reduce risks and enhance returns.
2. Stable and Secure Investments – Priority will be given to low-risk and income-generating investments that provide steady growth while protecting our capital.
3. Liquidity Management – A portion of our funds will remain in highly liquid investments to ensure financial flexibility and readiness for any unforeseen needs.
4. Strategic Growth Opportunities – We will seek out safe and stable opportunities for expansion, ensuring they align with our financial goals and risk tolerance.

We remain committed to responsible financial management and strategic investment planning to safeguard the stability and growth of NMBAI's funds.

Thank you for your continued support, and we look forward to working together to strengthen NMBAI's financial future.



ZORAHAYDA A. CAFIRMA
Committee Chairperson



MARKETING COMMITTEE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

MARKETING COMMITTEE

2024 ACCOMPLISHMENT REPORT

COMMITTEE MANDATE:

To help achieve the institutional vision of 300,000 members by 2025 and to set the strategic marketing direction of NATCCO MBAI.

RESPONSIBILITIES:

- Assist and guide the Association in the development of the marketing plans and activities in its identified direction.
- Evaluate, review and recommend the marketing plans of NATCCO MBAI.
- Ensure adequate resources and proper usage of the marketing fund in support of the strategic plan.
- Fulfill other duties and responsibilities related to the Marketing Committee as may be directed by the Board of Trustees.

ACCOMPLISHMENTS:

1. Review of the criteria for the MicroJuan Annual Awards
2. Review of the NMBAI Kaagapay Program, an agent/consultant program to increase membership

MEMBERS:

- | | |
|------------------------------|-------------|
| 1. Mildred C. Cerezo | Chairperson |
| 2. Evelia Bardos-Tizon | Member |
| 3. Maria Jasmine J. Quidilla | Member |
| 4. Minerva G. Tejada | Member |
| 5. Jeniña DJ. Dela Cruz | Member |
| 6. Eduardo C. De Castro | Member |

As the Committee Marketing Chairperson of the NATCCO MBAI, I am pleased to present an update on the resolution during the 2024 annual meeting, to create an incentive scheme aimed at increasing membership.

In line with the directive, the Marketing Committee took proactive steps to develop and implement a strategic incentive program to attract new members and enhance member retention. Through the united efforts of the Board of Trustees, Officers, and Management, alongside collaborative campaigns with coops and other legal institutions, partnerships, and member referral initiatives, we have significantly increased memberships.

We will continue to refine and expand our marketing activities and programs, with a focused effort on driving both more membership sign-ups and deeper participation in our initiatives.

Thank you for your ongoing support as we continue to move forward with our mission.



MILDRED C. CEREZO
Committee Chairperson



MANAGEMENT INFORMATION SYSTEM COMMITTEE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

MANAGEMENT INFORMATION SYSTEM (MIS) COMMITTEE

2024 ACCOMPLISHMENT REPORT

COMMITTEE MANDATE:

In response to the constantly changing needs of our members, the Board of Trustees deemed it necessary to create a Management Information System (MIS) Committee which will conduct periodic reviews of IT's best practices and decide on what are the most applicable for the Association.

RESPONSIBILITIES (as stated in its charter):

- Review of current micro-insurance system;
- Provide recommendations in terms of maintenance, enhancement, or phase-out of the system;
- Conduct market research and studies to come up with the most applicable system to be used for the entire life insurance process;
- Review and recommend all IT-related requirements of the Association; and
- Evaluate and recommend a partnership with 3rd party vendors.

ACCOMPLISHMENTS:

1. Installation of the NATCCO MBI Coop Online System to fifteen (15) partner cooperatives
2. Drafted the Information Security Policy

MEMBERS:

- | | |
|------------------------------|-------------|
| 1. Leonardo S. Banga | Chairperson |
| 2. Angel P. Garcia, Jr. | Member |
| 3. Maria Jasmine J. Quidilla | Member |

MESSAGE CHAIRPERSON

To the General Membership,

As the year 2024 concluded, I'd like to reflect on our accomplishment and look ahead to the opportunities ahead. This year, we successfully formulated "THE MIS POLICY NAME" (duly approved by the BOT) which is very vital in the management information system of NMBAI. We hope to strengthen the information and reporting system of our organization towards professional excellence.

My gratitude to the members of MIS and the present body of BOT and the key management staff of NMBAI for pursuing an excellent management information system for all the stakeholders, especially the general membership.

Thank you for all the support. I wish a great progress for NMBAI



LEONARDO S. BANGA
Committee Chairperson



POLICY REVIEW COMMITTEE



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

POLICY REVIEW COMMITTEE

2024 ACCOMPLISHMENT REPORT

COMMITTEE MANDATE:

One of the powers of the NATCCO MBI Board of Trustees is *"From time to time, promulgate rules and regulations consistent with these by-laws and to review, revise, or amend the same when it deems necessary for the management of the Association's business and affairs"* (NATCCO MBI Bylaws Art 6, Sec 1, paragraph A). To aid the Board of Trustees, Board Resolution # 24-2020 dated July 11, 2020 was passed, creating the Policy Review Committee (POLREVCOM).

RESPONSIBILITIES:

- Review of policies and recommend revisions, if any, to the BOT
 - Periodic review of all existing operational policies
 - Specific policies which needs urgent attention, as directed by the BOT
 - Conformity with changes in the NMBAI bylaws and regulatory issuances.
- Develop other policies related to the functions of the POLREVCOM.

ACCOMPLISHMENTS:

1. Revision of the Memorandum of Agreement (MOA) template between NATCCO MBI and partner cooperatives
2. Formulation of the NATCCO MBI Code of Ethics and Conduct

MEMBERS:

- | | |
|------------------------------|-------------|
| 1. Evelia Bardos-Tizon | Chairperson |
| 2. Angel P. Garcia, Jr. | Member |
| 3. Adolfo A. Ibañez | Member |
| 4. Romeo M. Magdaong | Member |
| 5. Zorahayda A. Cafirma | Member |
| 6. Maria Jasmine J. Quidilla | Member |

CHAIRPERSON MESSAGE

As we continuously evolve, it is essential to formulate and review policies that align with our corporate strategic charter and regulatory standards. Strong policies are the backbone of effective corporate governance, fostering transparency, ensuring compliance, and driving strategic growth.

NMBAI is committed to continuously evaluating the relevance of our existing policies and proactively developing new policies to enhance processes and drive innovations.



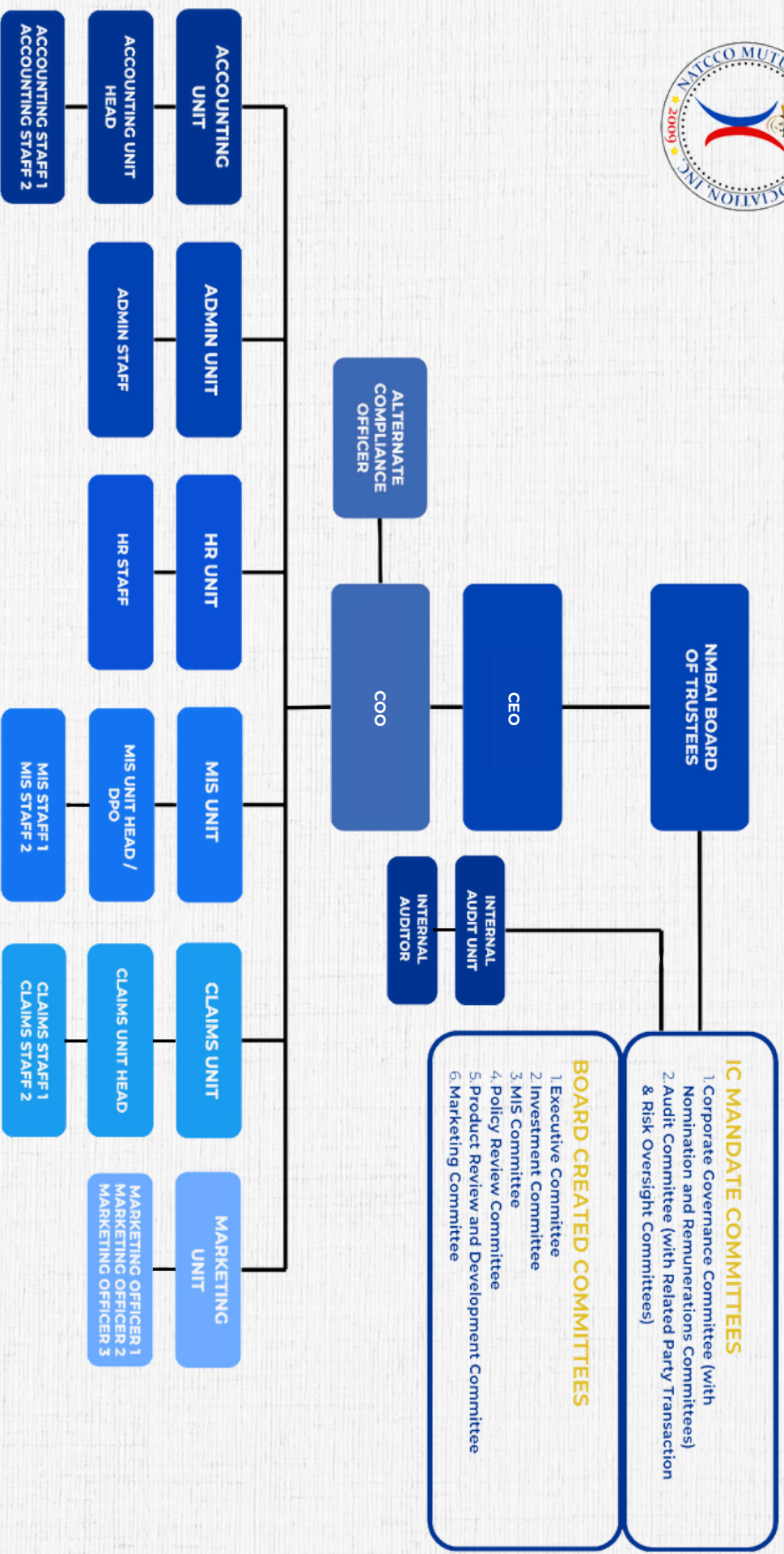
EVELIA BARDOS-TIZON
Committee Chairperson

ORGANIZATIONAL CHART



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance





BOARD OF TRUSTEES





EVELIA BARDOS-TIZON
CHAIRPERSON

Board Chairperson

June - Dec 2024

BIRTHDATE: May 11, 1956
AGE: 68
EDUCATION: BS Public Administration
DIRECTORSHIP:
1. Chairperson, NATCCO MBAI
2. Director, NEC MPC
3. Trustee, St. Katharine Drexel Magnate School, Inc.
OF YEARS WITH COOPERATIVE: 34



ROMEO M. MAGDAONG
CHAIRPERSON / VICE CHAIRPERSON

Chairperson / Vice Chairperson

Jan - May 2024

June - Dec 2024

BIRTHDATE: November 5, 1966
AGE: 58
EDUCATION: BSBA Management
Master of Business Administration (36 units)
DIRECTORSHIP:
1. Trustee, NATCCO MBAI
2. Treasurer, NATCCO Network
3. GM, Red Ribbon MPC
OF YEARS WITH COOPERATIVE: 30



NATCCO MBAI

Safeguarding Futures:
Strengthening Families Through Microinsurance



ANGEL P. GARCIA, JR.
REGULAR TRUSTEE

Regular Trustee

BIRTHDATE:	January 10, 1972
AGE:	53
EDUCATION:	BS Accountancy
DIRECTORSHIP:	NATCCO MBAI
# OF YEARS WITH COOPERATIVE:	17



MARIA JASMINE J. QUIDILLA
REGULAR TRUSTEE

Regular Trustee

BIRTHDATE:	October 11, 1975
AGE:	49
EDUCATION:	BS Accountancy
DIRECTORSHIP:	NATCCO MBAI
# OF YEARS WITH COOPERATIVE:	30



LEONARDO S. BANGA
REGULAR TRUSTEE

Regular Trustee

BIRTHDATE: March 01, 1961
AGE: 64
EDUCATION: BS Business Accountancy
Master of Public Administration
Master in Business Administration
PHD Organizational Development and Strategic Studies
(36 units)
DIRECTORSHIP: NATCCO MBAI
OF YEARS WITH COOPERATIVE: 26



ADOLFO A. IBAÑEZ
INDEPENDENT TRUSTEE

Independent Trustee

BIRTHDATE: June 17, 1949
AGE: 75
EDUCATION: Master in National Security Administration (MNSA)
Juris Doctor
Bachelor of Science in Education
DIRECTORSHIP: NATCCO MBAI
OF YEARS WITH COOPERATIVE: 54



ROBERTO A. ABAO
INDEPENDENT TRUSTEE

Independent Trustee

BIRTHDATE: June 7, 1966
AGE: 58
EDUCATION: Bachelor in Accountancy
Master in Business Administration
DIRECTORSHIP: 1. Trustee, NATCCO MBI
2. Director, Third Channel Innovation Corp.
3. Director, Digital Finance Compliance Corp.
4. Director, One Coop Federation Cooperative
5. Director, Redcat Service Cooperative
OF YEARS WITH COOPERATIVE: 20



OFFICERS



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance



MINERVA G. TEJADA
PRESIDENT



MILDRED C. CEREZO
BOARD SECRETARY



ZORAHAYDA A. CAFIRMA
TREASURER



SHERYLL ANNE A. BANGALAN
AUDITOR

MILDRED C. CEREZO

BOARD SECRETARY

Ms. Cerezo has been serving as the appointed Board Secretary since 2015. She holds a Bachelor's degree in Broadcast Communication from the Polytechnic University of the Philippines. With over six years of experience in the cooperative sector, she has developed expertise as a technical writer and training officer. In addition to her work in cooperatives, she also possesses a solid background in travel arrangements and digital marketing.



She has attended AMLA and Corporate Governance trainings.

As the Board Secretary, she has, among others, the following duties and responsibilities:

- Safe keeps and preserves the integrity of the minutes of the meetings of the Board and its committees, as well as other official records of the corporation;
- Keeps abreast on relevant laws, regulations, all governance issuances, relevant industry developments and operations of the corporation, and advises the Board and the Chairman on all relevant issues as they arise;
- Works fairly and objectively with the Board, Management and stockholders and contributes to the flow of information between the Board and management, the Board and its committees, and the Board and its stakeholders, including shareholders;
- Advises on the establishment of board committees and their terms of reference;
- Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five working days in advance, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;
- Attends all Board meetings, except when justifiable causes, such as illness, death in the immediate family and serious accidents, prevent him/her from doing so;
- Performs required administrative functions;
- Oversees the drafting of the by-laws and ensures that they conform with regulatory requirements; and
- Performs such other duties and responsibilities as may be provided by the IC.

MINERVA G. TEJADA

COMPLIANCE OFFICER



Ms. Tejada joined NATCCO MBI in April 2015 as the General Manager and was promoted as President in July 2018. Concurrently, she is also the appointed Compliance Officer of the association and works with Ms. Yani M. Yugo as the Alternate Compliance Officer. Ms. Tejada is a graduate of Bachelor of Mass Communication.

As the Compliance Officer, her duties include:

- Ensures proper onboarding of new directors (i.e., orientation on the association's business, charter, articles of incorporation and by-laws, among others);
- Monitors, reviews, evaluates and ensures the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;
- Reports the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
- Ensures the integrity and accuracy of all documentary submissions to regulators;
- Appears before the IC when summoned in relation to compliance with this Code;
- Collaborates with other departments to properly address compliance issues, which may be subject to investigation;
- Identifies possible areas of compliance issues and works towards the resolution of the same;
- Ensures the attendance of board members and key officers to relevant trainings; and
- Performs such other duties and responsibilities as may be provided by the IC.



MANAGEMENT TEAM

Upper- Left to Right: **Ivan Mari R. Monton**- Admin Staff, **Sunshine O. Mariano**- Accounting Staff, **Minerva G. Tejada**- President, **Jennifer M. Estocada**- Claims Unit Head, **Armel Jairus D. Patawaran**- Accounting Staff, **Jeniña D.J. Dela Cruz**- Marketing Officer 2, **Eduardo C. De Castro**- Marketing Officer
Lower- Left to Right: **Shaira Mae M. Del Monte** - MIS Staff, **Ma. Cherish S. Mullins**- MIS Unit Head, **Ericka Joyce D. Badere**- Claims Staff **Ma. Elizabeth B. Aquino**- MIS Staff 3, **Yani M. Yugo**- Accounting Unit Head





NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

2024

ACTIVITIES



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

MOA SIGNING WITH NEW PARTNERS

KITANGLAD MULTIPURPOSE COOPERATIVE



RJL88REALTY & SERVICES CORPORATION



NEC MULTIPURPOSE COOPERATIVE



TODA I MANILA FEDERATION



RECEMPCO TACLOBAN



LAKBAY MALASAKIT PROGRAM

RELIEF OPERATION WITH TODA 1 MANILA



RELIEF OPERATION WITH FIVESTAR MULTIPURPOSE COOPERATIVE- GONZAGA BRANCH



RELIEF OPERATION WITH SAN NICOLAS MULTIPURPOSE COOPERATIVE



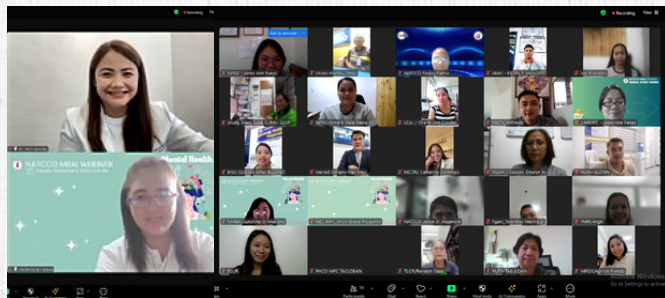
DENTAL MISSION WITH NEC MULTIPURPOSE COOPERATIVE CUBAO BRANCH



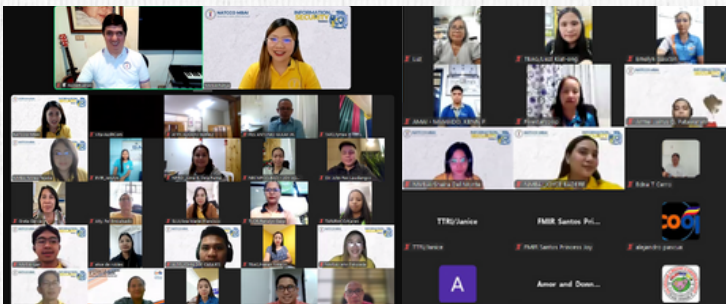
MEDICAL MISSION WITH NATCCO NETWORK



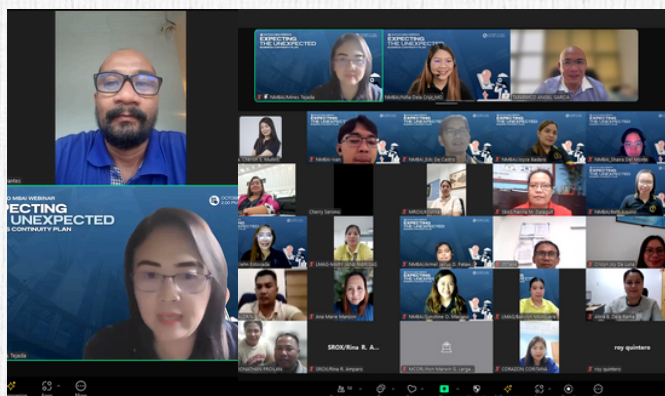
MENTAL HEALTH: SELF CARE WEBINAR



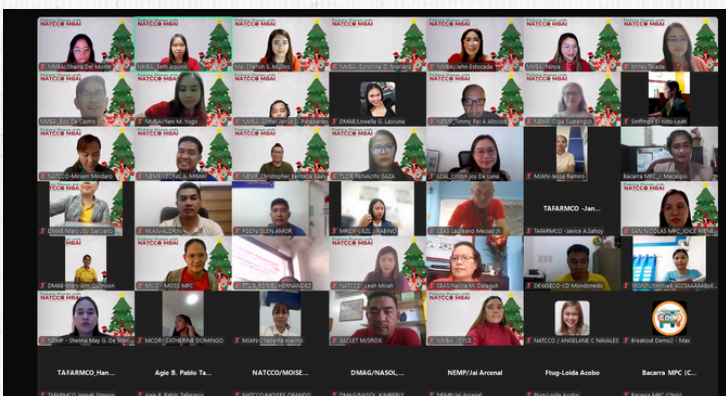
INFORMATION SECURITY WEBINAR



EXPECTING THE UNEXPECTED: BUSINESS CONTINUITY PLAN WEBINAR



PASKONG MASAYA WITH NATCCO MBAI



NATCCO MBAI

Safeguarding Futures:
Strengthening Families Through Microinsurance

LAKBAY ARAL WITH NACUFOK



MICROJUAN MONTHLY PAPREMYO

JANUARY- DECEMBER

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR JANUARY 2024	
1	MICROJUAN
2	WINNERS FOR JANUARY 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR FEBRUARY 2024	
1	MICROJUAN
2	WINNERS FOR FEBRUARY 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR MARCH 2024	
1	MICROJUAN
2	WINNERS FOR MARCH 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR APRIL 2024	
1	MICROJUAN
2	WINNERS FOR APRIL 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR MAY 2024	
1	MICROJUAN
2	WINNERS FOR MAY 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR JUNE 2024	
1	MICROJUAN
2	WINNERS FOR JUNE 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR JULY 2024	
1	MICROJUAN
2	WINNERS FOR JULY 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR AUGUST 2024	
1	MICROJUAN
2	WINNERS FOR AUGUST 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR SEPTEMBER 2024	
1	MICROJUAN
2	WINNERS FOR SEPTEMBER 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR OCTOBER 2024	
1	MICROJUAN
2	WINNERS FOR OCTOBER 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR NOVEMBER 2024	
1	MICROJUAN
2	WINNERS FOR NOVEMBER 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	

MICROJUAN MONTHLY PAPREMYO	
WINNERS FOR DECEMBER 2024	
1	MICROJUAN
2	WINNERS FOR DECEMBER 2024
3	
4	9
5	10
6	11
7	12
8	13
9	14
10	15
11	1
12	2
13	3
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

MEETINGS & EVENTS

17TH ANNUAL NATIONAL MICOOP FORUM 2024



NATCCO 47TH GENERAL ASSEMBLY 2024



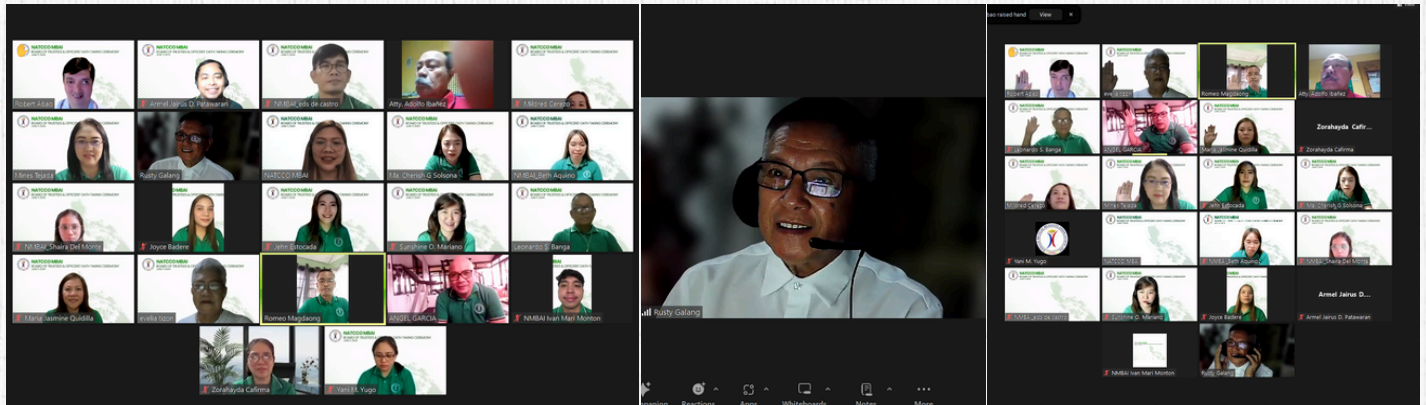
SENDING OUT CALENDARS AND GIVEAWAYS



NATCCO MBAI 13TH ANNUAL MEETING



OATH TAKING: NEW SET OF BOARD OF TRUSTEES



MANAGEMENT MEETING



MIDYEAR REVIEW AND CATCH-UP PLANNING



PLANNING SESSION FOR 2025



MEETING WITH MICOOP TEAM



MEETINGS W/ PARTNER INSTITUTIONS

TODA 1 MANILA FEDERATION



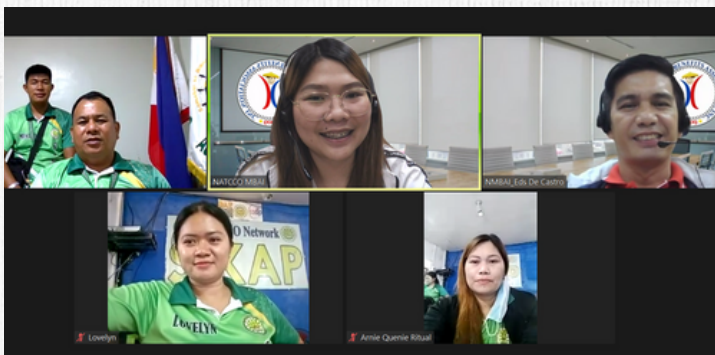
MINDORO OCCIDENTAL SUSTAINABLE SKILLS MPC

BATONG PALOWAY AGRARIAN REFORM COOPERATIVE



SAMAHAN SA IKAUNLAD NG PAMAYANAN CREDIT COOP

NEC MULTIPURPOSE COOPERATIVE



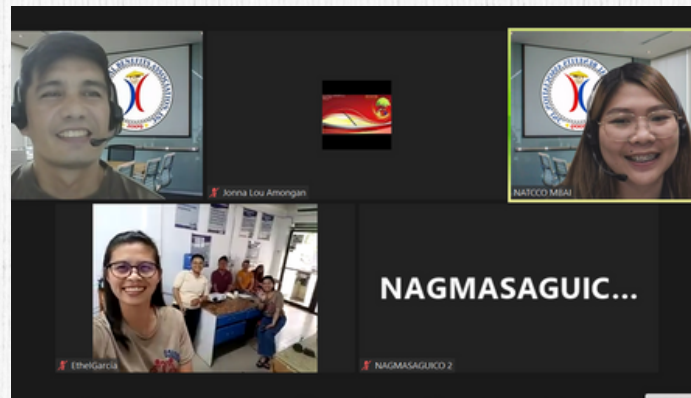
NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

LIMBAHAN SMALL COCONUT FARMERS AND WOMEN MPC



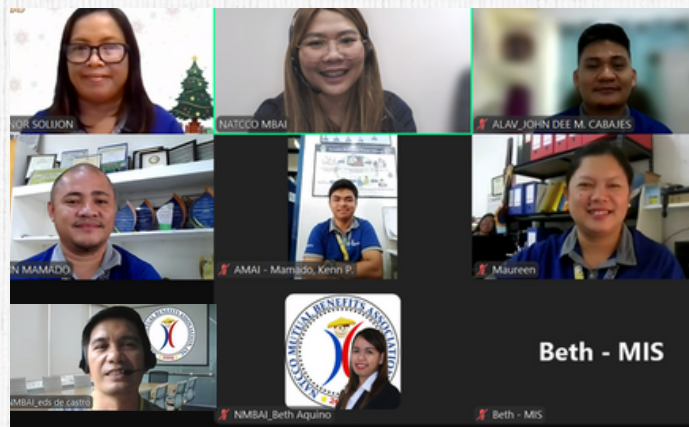
NAGKAHIUSANG MAG-UUMA SA GUIHALINAN COOP



GUIMARAS BRETHREN MULTI-PURPOSE COOPERATIVE



ALIPAO MULTI-PURPOSE COOPERATIVE



SAN ISIDRO DEVELOPMENT COOPERATIVE



PARTNER ***INSTITUTIONS***



NATCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance

- **AGRA PROGRESO MULTI-PURPOSE COOPERATIVE**
- **ALIPAO MULTI-PURPOSE COOPERATIVE**
- **BAAO PARISH MULTI-PURPOSE COOPERATIVE**
- **BACARRA SAVINGS AND CREDIT COOPERATIVE**
- **BACBACAN MULTI-PURPOSE COOPERATIVE**
- **BACLAY MULTI-PURPOSE COOPERATIVE**
- **BATONG PALOWAY AGRARIAN REFORM COOPERATIVE**
- **BAYANIHAN HUNDRED ISLANDS AGRARIAN REFORM COOPERATIVE**
- **BONBONON FARMERS AGRARIAN REFORM MULTI-PURPOSE COOPERATIVE**
- **BUKLOD NG BUHAY ARC MULTI-PURPOSE COOPERATIVE**
- **DAGOHoy MULTI-PURPOSE COOPERATIVE**
- **DALAWINON FARMERS MULTI-PURPOSE COOPERATIVE**
- **DAVAO DE ORO SAVINGS AND CREDIT COOPERATIVE**
- **DEL ROSARIO MULTI-PURPOSE COOPERATIVE**
- **DEPARTMENT OF AGRARIAN REFORM MULTI-PURPOSE COOPERATIVE**
- **DEVELOPMENT WORKERS SAVINGS AND CREDIT COOPERATIVE**
- **DUMANGAS AGRARIAN REFORM COOPERATIVE**
- **FIVE STAR MULTI PURPOSE COOPERATIVE**
- **GLANSAR CREDIT COOPERATIVE**
- **GUIMARAS BRETHREN MULTI-PURPOSE COOPERATIVE**
- **KATILINGBANONG PROGRAMA SA MAAYONG PANGLAWAS-KINAUGALINGONG PANINGKAMOT MULTI-PURPOSE COOPERATIVE**
- **KAUSWAGAN AGRARIAN REFORM BENEFICIARIES MULTI-PURPOSE COOPERATIVE**
- **KISANDAL MULTI-PURPOSE COOPERATIVE**
- **KITANGLAD MULTI-PURPOSE COOPERATIVE**
- **KM STAYCATION**



- **LA LIBERTAD AGRARIAN REFORM BENEFICIARIES MULTI-PURPOSE COOPERATIVE**
- **LABO PROGRESSIVE MULTI PURPOSE COOPERATIVE**
- **LACE MULTI-PURPOSE COOPERATIVE**
- **LICO AGRARIAN REFORM COOPERATIVE**
- **LIMBAHAN SMALL COCONUT FARMERS AND WOMEN MULTI-PURPOSE COOPERATIVE**
- **LOURDES MULTI PURPOSE COOPERATIVE**
- **MANGUYANG AGRARIAN REFORM BENEFICIARIES COOPERATIVE**
- **MANSALAY AGRICULTURE AND FISHERIES MULTI-PURPOSE COOPERATIVE**
- **MILLENNIAL CREDIT COOPERATIVE**
- **MINDORO OCCIDENTAL SUSTAINABLE SKILLS MULTI-PURPOSE COOPERATIVE**
- **MOTHER RITA MULTI-PURPOSE COOPERATIVE**
- **NABUA DEV MULTI-PURPOSE COOPERATIVE**
- **NAGKAHIUSANG MAG-UUMA SA GUIHALINAN COOPERATIVE**
- **NATCCO NETWORK**
- **NEC MULTI-PURPOSE COOPERATIVE**
- **NORTHERN SAMAR SAVINGS AND CREDIT COOPERATIVE**
- **PANAY AGRARIAN REFORM COOPERATIVE**
- **PANGASINAN SAVINGS AND CREDIT COOPERATIVE**
- **PERPETUAL HELP MULTI-PURPOSE COOPERATIVE**
- **PINGKIAN COMMUNITY DEVELOPMENT COOPERATIVE**
- **RED RIBBON MULTI-PURPOSE COOPERATIVE**
- **REGIONAL AND CENTRAL COMELEC EMPLOYEES MULTI-PURPOSE COOPERATIVE**
- **RJL88 REALTY & SERVICES INCORPORATION**

- **SAINT VINCENT DE PAUL MULTI PURPOSE COOPERATIVE**
- **SAMAHAN SA IKAUUNLAD NG PAMAYANAN CREDIT COOP**
- **SAMAHANG MAGSASAKA NG BARANGAY STA. MARIA AGRARIAN REFORM COOPERATIVE**
- **SAN ISDIRO DEVELOPMENT COOPERATIVE**
- **SAN MIGUEL FARMERS AND FISHERS MULTI-PURPOSE COOPERATIVE**
- **SAN NICOLAS MULTI-PURPOSE COOPERATIVE**
- **SAN RAMON MULTI-PURPOSE COOPERATIVE**
- **SOUTHERN NEGROS AGRARIAN REFORM COOPERATIVE**
- **SOUTHERN NEGROS MULTI-PURPOSE COOPERATIVE**
- **SPRINGSIDE IRRIGATOR'S AND FARMERS AGRARIAN REFORM BENEFICIARIES MULTI-PURPOSE COOPERATIVE**
- **SRT OF PALAWAN MULTI-PURPOSE COOPERATIVE**
- **STA. CRUZ MULTI-PURPOSE COOPERATIVE**
- **STA. CRUZ SAVINGS & DEVELOPMENT COOPERATIVE**
- **TALISAYON MULTI PURPOSE COOPERATIVE**
- **TALOY NORTE FARMERS MULTI-PURPOSE COOPERATIVE**
- **TANIKALA NG PAGKAKAISA MULTI-PURPOSE COOPERATIVE**
- **TODA 1 MANILA FEDERATION**
- **TUMALALUD FARMERS MULTI-PURPOSE COOPERATIVE**
- **ZANORTE COMMUNITY CREDIT COOPERATIVE**

2024 AUDITED FINANCIAL STATEMENTS



NATCCO MBI

Safeguarding Futures:
Strengthening Families Through Microinsurance



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN**

The management of **National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc.** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended December 31, 2024. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the management affirms that the attached audited financial statements for the year ended December 31, 2024 and the accompanying Annual Income Tax Return are in accordance with the books and records of **National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc.**, complete and correct in all material respects. Management likewise affirms that:

- a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the Association's books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances; and,
- c) **National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.


EVELIA BARDOS-TIZON
Chairperson


MINERVA G. TEJADA
CEO


ZORAHAYDA A. CAFIRMA
Treasurer

NATCCO MBAI
227 JP RIZAL ST., PROJECT 4, QUEZON CITY 1109
Email: natccombai@nmbainsurance.com / Tel. No: 0998-5946712
www.natccombai.com



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA)**, Inc. is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Association's financial reporting process.

The Board of Trustees reviews and approves the financial statements including the schedules attached therein and submits the same to the members of the Association.

AMC & Associates, the independent auditor, appointed by the Board of Trustees, has audited the financial statements of the Association in accordance with Philippine Standards on Auditing and in its report to the members have expressed its opinion on the fairness of presentation upon completion of such audit.


EVELIA BARDOS-TIZON
Chairperson


MINERVA S. TEJADA
CEO


ZORAHAYDA A. CAFIRMA
Treasurer

NATCCO MBAI
227 JP RIZAL ST., PROJECT 4, QUEZON CITY 1109
Email: natccombai@nmbainsurance.com / Tel. No: 0998-5946712
www.natccombai.com



Aquino, Mata, Calica & Associates
 Certified Public Accountants
 Suite 1805 - 1807 Cityland Condominium 10 Tower 2
 H.V. Dela Costa St., Makati City, 1227 Philippines
 T +63 2 8841 0462 • +63 2 8893 0287


REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS TO ACCOMPANY INCOME TAX RETURN

The Board of Trustees and Members
 National Confederation of Cooperatives
 Mutual Benefits Association (NATCCO MBA), Inc.
(A Non-Stock, Non-Profit Association)
 227 J.P. Rizal St., Bayanihan
 Project 4, Quezon City

We have audited the financial statements of National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc. for the year ended December 31, 2024, on which we have rendered the attached report dated March 31, 2025.

In compliance with Revenue Regulations V-20, we are stating that no partner of our Firm is related by consanguinity or affinity to the president, manager or principal officers of the Association.

AMC & ASSOCIATES


 By: **Joseph Cedric V. Calica**
 Partner
 CPA Cert. No. 94541
 TIN 163-257-226-000
 PTR No. 10469766, Jan. 7, 2025, Makati City
 BIR Accreditation No. 08-002582-001-2023
 (issued on Oct. 12, 2023 valid until Oct. 11, 2026)
 SEC Accreditation No. 94541-SEC (Group A)
 (valid to audit 2023 to 2027 financial statements)
 IC Accreditation No. 94541-IC (Group A)
 (valid to audit 2020 to 2024 financial statements)
 BSP Accreditation No. 94541-BSP (Group B)
 (valid to audit 2021 to 2025 financial statements)

March 31, 2025

FIRM ACCREDITATION

Aquino, Mata, Calica & Associates
 BOA Accreditation No. 4275 - valid from June 29, 2023 to June 28, 2026
 BIR Accreditation No. 08-002582-000-2023 - issued on October 12, 2023 valid until October 11, 2026
 SEC Accreditation No. 4275-SEC (Group A) - valid to audit 2023 to 2027 financial statements
 IC Accreditation No. 4275-IC (Group A) - valid to audit 2020 to 2024 financial statements
 BSP Accreditation No. 4275-BSP (Group B) - valid to audit 2021 to 2025 financial statements
 CDA CEA No. 075-AF - valid from January 15, 2025 to January 14, 2030



Aquino, Mata, Calica & Associates
 Certified Public Accountants
 Suite 1805 - 1807 Cityland Condominium 10 Tower 2
 H.V. Dela Costa St., Makati City, 1227 Philippines
 T +63 2 8841 0462 • +63 2 8893 0287

REPORT OF INDEPENDENT AUDITORS

The Board of Trustees and Members
National Confederation of Cooperatives
Mutual Benefits Association (NATCCO MBA), Inc.
(A Non-Stock, Non-Profit Association)
 227 J.P. Rizal St., Bayanihan
 Project 4, Quezon City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc.** (the "Association"), which comprise the statements of financial condition as at December 31, 2024, 2023 and 2022 and the statements of operations, statements of changes in fund balance and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial condition of the Association as at December 31, 2024, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards applicable to Mutual Benefits Associations (MBAs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the *Code of Ethics for Professional Accountants in the Philippines* (Code of Ethics) together with the ethical requirements that are relevant to our audits of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements, and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards applicable to MBAs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.



Aquino, Mata, Calica & Associates
 Certified Public Accountants
 Suite 1805 - 1807 Cityland Condominium 10 Tower 2
 H.V. Dela Costa St., Makati City, 1227 Philippines
 T +63 2 8841 0462 • +63 2 8893 0287

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



- 3 -

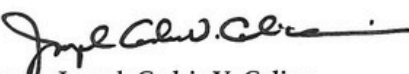


Aquino, Mata, Calica & Associates
 Certified Public Accountants
 Suite 1805 - 1807 Cityland Condominium 10 Tower 2
 H.V. Dela Costa St., Makati City, 1227 Philippines
 T +63 2 8841 0462 • +63 2 8893 0287

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2024 required by the Bureau of Internal Revenue as disclosed in Note 30 of the financial statements is presented for purposes of additional analysis and is not a required part of financial statements prepared in accordance with PFRS Accounting Standards applicable to MBAs. Such supplementary information is the responsibility of the management. The supplementary information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

AMC & ASSOCIATES

By: 
Joseph Cedric V. Calica
 Partner
 CPA Cert. No. 94541
 TIN 163-257-226-000
 PTR No. 10469766, Jan. 7, 2025, Makati City
 BIR Accreditation No. 08-002582-001-2023
 (issued on Oct. 12, 2023 valid until Oct. 11, 2026)
 SEC Accreditation No. 94541-SEC (Group A)
 (valid to audit 2023 to 2027 financial statements)
 IC Accreditation No. 94541-IC (Group A)
 (valid to audit 2020 to 2024 financial statements)
 BSP Accreditation No. 94541-BSP (Group B)
 (valid to audit 2021 to 2025 financial statements)

March 31, 2025

FIRM ACCREDITATION

Aquino, Mata, Calica & Associates

BOA Accreditation No. 4275 - valid from June 29, 2023 to June 28, 2026
 BIR Accreditation No. 08-002582-000-2023 - issued on October 12, 2023 valid until October 11, 2026
 SEC Accreditation No. 4275-SEC (Group A) - valid to audit 2023 to 2027 financial statements
 IC Accreditation No. 4275-IC (Group A) - valid to audit 2020 to 2024 financial statements
 BSP Accreditation No. 4275-BSP (Group B) - valid to audit 2021 to 2025 financial statements
 CDA CEA No. 075-AF - valid from January 15, 2025 to January 14, 2030



NATIONAL CONFEDERATION OF COOPERATIVES
MUTUAL BENEFITS ASSOCIATION (NATCCO MBA), INC.
(A Non-Stock, Non-Profit Association)
STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2024 and 2023
(Amounts in Philippine Peso)

	2024	2023
<u>A S S E T S</u>		
CURRENT ASSETS		
Cash and cash equivalents (Note 4)	P 37,266,005	P 22,417,786
Receivables (Note 5)	110,835	128,334
Financial asset at fair value through profit or loss (Note 6)	9,464,697	9,069,628
Short-term financial assets (Note 7)	-	4,159,243
Prepayments (Note 8)	-	715,133
Total Current Assets	<u>46,841,537</u>	<u>36,490,124</u>
NON-CURRENT ASSETS		
Receivables (Note 5)	25,154,159	25,202,960
Financial assets at amortized cost (Note 9)	40,303,616	38,461,954
Property and equipment (Note 10)	3,629,665	3,582,823
Total Non-current Assets	<u>69,087,440</u>	<u>67,247,737</u>
TOTAL ASSETS	<u>P 115,928,977</u>	<u>P 103,737,861</u>
<u>LIABILITIES AND FUND BALANCE</u>		
CURRENT LIABILITIES		
Liability on individual equity value (Note 11)	P 39,844,485	P 40,852,726
Members contribution received in advance (Note 12)	2,937,419	2,681,797
Claims payable on basic contingent benefit (Note 13)	1,817,156	1,773,458
Optional benefit reserves (Note 14)	10,256,538	10,658,694
Claims payable on optional benefit (Note 15)	2,304,336	3,483,840
Basic contingent benefit reserve (Note 16)	1,955,672	1,861,153
Other payables (Note 17)	9,810,895	3,528,533
Total Current Liabilities	68,926,501	64,840,201
NON-CURRENT LIABILITY		
Post-employment benefits liability (Note 21)	2,206,023	1,652,112
Total Liabilities	<u>71,132,524</u>	<u>66,492,313</u>
FUND BALANCE		
Assigned fund balance (Note 23)	30,337,746	27,422,622
Revaluation surplus (Note 23)	(13,724)	1,550
Free and unassigned fund balance	<u>14,472,431</u>	<u>9,821,376</u>
Total Fund Balance	<u>44,796,453</u>	<u>37,245,548</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>P 115,928,977</u>	<u>P 103,737,861</u>

See Notes to Financial Statements.



NATIONAL CONFEDERATION OF COOPERATIVES
MUTUAL BENEFITS ASSOCIATION (NATCCO MBA), INC.
(A Non-Stock, Non-Profit Association)
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Peso)

	<u>2024</u>	<u>2023</u>
REVENUES		
Premiums and contributions (Note 18)	P 55,635,784	P 49,689,467
Interest income (Note 19)	<u>1,983,979</u>	<u>1,647,978</u>
	<u>57,619,763</u>	<u>51,337,445</u>
EXPENSES (Note 20)		
Benefits expenses	13,899,263	16,973,169
Other benefits expenses	18,302,783	15,319,733
Operating expenses	<u>17,851,538</u>	<u>12,016,115</u>
	<u>50,053,584</u>	<u>44,309,017</u>
EXCESS OF REVENUES OVER EXPENSES	7,566,179	7,028,428
OTHER COMPREHENSIVE LOSS		
Items that will not be reclassified		
subsequently to profit or loss		
Remeasurement of		
post-employment benefit cost (Note 21)	(<u>15,274</u>)	(<u>447,993</u>)
TOTAL COMPREHENSIVE REVENUES	<u>P 7,550,905</u>	<u>P 6,580,435</u>

See Notes to Financial Statements.





NATIONAL CONFEDERATION OF COOPERATIVES
MUTUAL BENEFITS ASSOCIATION (NATCCO MBA), INC.
(A Non-Stock, Non-Profit Association)
STATEMENTS OF CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Peso)

	Assigned Fund Balance (Note 23)	Revaluation Surplus (Note 23)	Free and Unassigned Fund Balance	Total
Balance at January 1, 2024	P 27,422,622	P 1,550	P 9,821,376	P 37,245,548
Transfer to assigned fund balance	2,915,124	-	(2,915,124)	-
Total comprehensive revenues (loss) for the year	-	(15,274)	7,566,179	7,550,905
Balance at December 31, 2024	<u>P 30,337,746</u>	<u>(P 13,724)</u>	<u>P 14,472,431</u>	<u>P 44,796,453</u>
Balance at January 1, 2023	P 24,835,972	P 449,543	P 5,379,598	P 30,665,113
Transfer to assigned fund balance	2,586,650	-	(2,586,650)	-
Total comprehensive revenues (loss) for the year	-	(447,993)	7,028,428	6,580,435
Balance at December 31, 2023	<u>P 27,422,622</u>	<u>P 1,550</u>	<u>P 9,821,376</u>	<u>P 37,245,548</u>

See Notes to Financial Statements.



NATIONAL CONFEDERATION OF COOPERATIVES
MUTUAL BENEFITS ASSOCIATION (NATCCO MBA), INC.
(A Non-Stock, Non-Profit Association)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Peso)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	P 7,566,179	P 7,028,428
Adjustments for:		
Retirement expense (Note 21)	538,637	271,496
Depreciation (Note 10)	392,676	151,179
Increase in reserve for basic contingent benefit (Note 16)	94,519	1,031,568
Increase (decrease) in reserve for optional benefit (Note 14)	(402,156)	460,318
Interest income (Note 19)	(1,983,979)	(1,647,978)
Net excess of revenues over expenses before working capital changes	6,205,876	7,295,011
Decrease in receivables	66,300	3,620,629
Decrease in prepayments	715,133	84,622
Decrease in liability on individual equity value	(1,008,241)	(1,513,449)
Increase (decrease) in members contribution received in advance	255,622	(733,412)
Increase (decrease) in claims payable on basic contingent benefit	43,698	(929,315)
Increase in claims payable on optional benefit	(1,179,504)	1,450,304
Increase (decrease) in other payables	6,282,362	(276,366)
Cash generated from operations	11,381,246	8,998,024
Retirement paid (Note 21)	-	(154,924)
Interest received on bank deposits (Note 4)	11,710	66,017
Net Cash From Operating Activities	11,392,956	8,909,117
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from (additions to) short-term financial assets (Note 7)	4,159,243	(159,243)
Interest received on investments (Note 19)	1,972,269	1,581,961
Additions to financial assets through profit or loss (Note 6)	(395,069)	(368,114)
Acquisitions of property and equipment (Note 10)	(439,518)	(1,549,315)
Additions to financial assets at amortized cost (Note 9)	(1,841,662)	(2,788,901)
Withdrawal of other funds and deposit	-	679,186
Net Cash From (Used in) Investing Activities	3,455,263	(2,604,426)
NET INCREASE IN CASH AND CASH EQUIVALENTS	14,848,219	6,304,691
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	22,417,786	16,113,095
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P 37,266,005	P 22,417,786

See Notes to Financial Statements.



**NATIONAL CONFEDERATION OF COOPERATIVES
MUTUAL BENEFITS ASSOCIATION (NATCCO MBA), INC.**
(A Non-Stock, Non-Profit Association)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Peso)

1. GENERAL INFORMATION

Organization and Objectives

National Confederation of Cooperatives Mutual Benefits Association (NATCCO MBA), Inc. (the "Association") was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on April 24, 2009 with registration number CN2000905690. Its members are active members of any cooperative affiliated with the National Confederation of Cooperatives (NATCCO). It is a regulated entity under the Insurance Commission.

The Association is primarily engaged to extend financial assistance to its members, spouse, and children in the form of benefits, sickness benefits, provident savings and loan redemption assistance; to ensure continued access to benefits or resources by actively involving the members in the management of the association that will include implementation of policies and procedures geared towards sustainability and improved services; to do and perform any other acts and things and to have and exercise any other power and functions as may be necessary, convenient, legal and appropriate to accomplish the purpose for which the mutual benefits association is established or organized.

The registered office of the Association is located at 227 J.P. Rizal St., Bayanihan, Project 4, Quezon City.

Tax Exemption

On July 6, 2022, the Association obtained tax exemption from the BIR under Certificate Tax Exemption No. RR7A040-2022-CTE00024 which is valid until July 5, 2025. As a non-stock, non-profit association, the Association is exempt from the payment of income tax under Section 30c of the National Internal Revenue Code. However, the income of whatever kind and character of the Association from any of its properties, real or personal, or from any of its activities conducted for profit, regardless of the disposition made of such income, shall be subjected to tax. Moreover, interest income derived from the deposit with banks are subject to the final tax.

Approval of Financial Statements

The financial statements of the Association as at and for the year ended December 31, 2024 (including the comparative financial statements as at and for the year ended December 31, 2023) were authorized for issue by the Association's Board of Trustees (BOT) on March 31, 2025.



2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that have been used in the preparation of these financial statements are summarized below and in the succeeding pages. The policies have been consistently applied to all the years presented unless otherwise stated.

Basis of Preparation of Financial Statements

a. Statement of Compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards for Mutual Benefits Associations (MBAs)

The financial statements of the Association have been prepared in accordance with PFRS Accounting Standards in the Philippines applicable to MBAs.

Pursuant to Section 189 of The Amended Insurance Code, the Insurance Commission issued Circular Letter No. 2014-41 dated September 25, 2014 requiring all new and existing mutual benefits associations doing business in the Philippines to use and maintain the revised Standard Chart of Accounts (SCA) for MBAs. The SCA is the prescribed framework for the Association in the preparation of financial statements.

The SCA for MBAs list a uniform system of account numbers categorized based on MBAs' revenue, expenses, assets, liabilities and fund value for similar transactions and events, in compliance with the latest Philippine Accounting Standards (PAS) and PFRS Accounting Standards.

PFRS Accounting Standards is adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncement issued by the International Accounting Standards Boards (IASB) and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by PFRS applicable to MBAs for each type of assets, liabilities, income and expense. The measurement bases are more fully described in the accounting policies that follow.

b. Presentation of Financial Statements

The financial statements are presented in accordance with the Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Association presents all items of income and expenses in a single statement of operation.

The Association presents the third statement of financial condition at the beginning of the preceding period when it applies an accounting policy retrospectively or makes a retrospective restatement or reclassification of items that have a material effect on the information in the statement of financial condition at the beginning of the preceding period. The related notes to the third statement of financial condition are not required to be disclosed.

c. Functional and Presentation Currency

These financial statements are presented in Philippine peso, the Association's functional and presentation currency and all values represent absolute amounts except when otherwise indicated.



Items included in the financial statements of the Association are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Association operates.

Adoption of Amended PFRS

a. Effective in 2024 that are Relevant to the Association

The Association adopted for the first time the following amendments to PFRS Accounting Standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	: Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	: Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements

Discussed below are the relevant information about these pronouncements.

- i. PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*. The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Association's financial statements.
- ii. PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants*. The amendments specifies that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purposes of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Association's financial statements.
- iii. PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Association's financial statements.



b. *Effective in 2024 that is not Relevant to the Association*

Among the amendments to PFRS Accounting Standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024, amendments to PFRS 16 – Lease Liability in a Sale and Leaseback is not relevant to the Association's financial statements.

c. *Effective Subsequent to 2024 but not Adopted Early*

There are amendments to existing standards effective for annual periods subsequent to 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Association's financial statements:

- i. PFRS 17, *Insurance Contracts – Insurance Contracts* (effective from January 1, 2025)
- ii. PFRS 17 (Amendments), *Insurance Contracts – Initial Application of PFRS 17 and PFRS 9 – Comparative Information* (effective from January 1, 2025)
- iii. PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)
- iv. PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- v. PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The amendments, however, do not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- vi. PFRS 19, *Subsidiaries without Public Accountability: Disclosures* (effective from January 1, 2027) The new standard reduces the disclosure requirements prescribed by other standards for subsidiaries without public accountability. It changes disclosure requirements prescribed by other standards as the reporting entity will instead refer to PFRS 19 for required disclosures.
- vii. PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)



Current versus Non-Current Classification

The Association presents assets and liabilities in the statement of financial condition based on current and non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred income tax assets and liabilities are classified as non-current assets and liabilities.

Financial Instruments

a. Financial Assets

Financial assets are recognized when the Association becomes a party to the contractual terms of the financial instruments. Except for those receivables that do not contain a significant financing component and are measured at the transaction price in accordance with PFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

The foregoing categories of financial instruments of the Association are more fully described below:

i. Financial Assets at Amortized Cost

Financial assets are measured at amortized cost if both of the following conditions are met (and are not designated as FVTPL):

- the asset is held within the business model whose objective is to hold financial assets in order to collect contractual cash flows ("hold to collect"); and,
- the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.



Except for trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with PFRS 15, all financial assets meeting these criteria are measured initially at fair value plus transaction costs. These are subsequently measured at amortized cost using the effective interest method, less any impairment in value.

The Association's financial assets measured at amortized cost comprise of Cash and cash equivalents, Receivables, Short-term financial assets, and Financial Assets at amortized cost in the statements of financial condition.

For purposes of cash flows reporting and presentation, cash and cash equivalents comprise accounts with original maturities of three months or less, including cash. These generally include cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial assets measured at amortized cost are included in the current assets, except for those with maturities greater than 12 months after the end of reporting period, which is classified as non-current assets.

ii. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

The Association accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective is to hold to collect the associated cash flows and sell ("hold to collect and sell"); and,
- the contractual terms of the financial assets give rise to cash flows that are SPPI on the principal amount outstanding.

At initial recognition, the Association can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Association for trading or as mandatorily required to be classified as FVTPL.

Financial assets at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value, with no deduction for any disposal costs. Gains and losses arising from changes in fair value, including the foreign exchange component, are recognized in other comprehensive income, net of any effects arising from income taxes, and are reported as part of the Revaluation Reserves accounts in equity. When the asset is disposed of, the cumulative gain or loss previously recognized in the Surplus reserve account is not reclassified to profit or loss but is reclassified directly to the Surplus free account, except for those debt securities classified as FVOCI wherein cumulative fair value gains or losses are recycled to profit or loss.



-7-

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial assets except for those that are subsequently identified as credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial assets (after the deduction of the loss allowance). The interest earned is recognized in profit or loss in the statement of operation as part of Interest income.

Any dividends earned on holding equity instruments are recognized in profit or loss when the Association's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Association, and, the amount of the dividend can be measured reliably unless the dividends represent the recovery of a part of the cost of the investment.

As at December 31, 2024 and 2023, the Association does not have financial assets designated at FVOCI.

iii. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorized at FVTPL. Further, irrespective of the business model, financial assets whose contractual cash flows are not SPPI are accounted for at FVTPL. Also, equity securities are classified as financial assets at FVTPL, unless the Association designates an equity investment that is not held for trading as at FVOCI at initial recognition.

Financial assets at FVTPL are measured at fair value with gains or losses recognized in the profit or loss as part of Interest income in the statements of operation. The fair values of these financial assets are determined by reference to active market transactions or using a valuation technique where no active market exists.

Interest earned on these investments is included in the net fair value gains (losses) on these assets presented as part of Interest income in the statements of operation.

As at December 31, 2024 and 2023, the Association has financial assets designated at FVTPL amounted to P9,464,697 and P9,069,628, respectively.

The Association can only reclassify financial assets if the objective of its business model for managing those financial assets changes. Accordingly, the Association is required to reclassify financial assets: (i) from amortized cost to FVTPL, if the objective of the business model changes so that the amortized cost criteria are no longer met; and, (ii) from FVTPL to amortized cost if the objective of the business model changes so that the amortized cost criteria start to be met and the characteristic of the instrument's contractual cash flows meet the amortized cost criteria.

A change in the objective of the Association's business model will take effect only at the beginning of the next reporting period following the change in the business model.



b. Impairment of Financial Assets

At the end of the reporting period, the Association assesses its ECL on a forward-looking basis associated with its financial assets carried at amortized cost and debt instruments measured at FVOCI. Recognition of credit losses is no longer dependent on the Association's identification of a credit loss event. Instead, the Association considers a broader range of information in assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the future cash flows of the financial assets.

The Association applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for all trade and other receivables and contract assets. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate ECL, the Association uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The Association also assesses the impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due.

For debt instruments measured at FVOCI and amortized cost, the allowance for credit losses is based on the ECL associated with the probability of default of a financial instrument in the next 12 months, unless there has been a significant increase in credit risk since the origination of the financial asset, in such case, a lifetime ECL for a purchased or originated credit-impaired, the allowance for credit losses is based on the change in the ECL over the life of the asset. The Association recognized a loss allowance for such losses at each reporting date.

The key elements used in the calculation of ECL are as follows:

- *Probability of default* – It is an estimate of the likelihood of default over a given time horizon.
- *Loss given default* – It is an estimate of loss arising in the case where default occurs at a given time. It is based on the difference between the contractual cash flows of a financial instrument due to counterparty and those that the Association would expect to receive, including the realization of any collateral.
- *Exposure at default* – It represents the gross carrying amount of the financial instruments subject to the impairment calculation.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. The Association considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Association may also consider a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



c. Items of Income and Expense Related to Financial Assets

All income and expenses, including impairment losses, relating to financial assets that are recognized in profit or loss are presented as part of Interest income or Interest expense, Impairment losses, Gain on disposal of financial assets, Dividend income and Recoveries from accounts written-off (presented as part of Other income) in the Statement of operation.

Non-compounding interest, dividend income and other cash flows resulting from holding financial assets are recognized in profit or loss when earned, regardless of how the related carrying amount of financial assets are measured.

d. Derecognition of Financial Assets

The financial assets (or where applicable, a part of a financial asset or part of a group of financial assets) are derecognized when the contractual rights to receive cash flows from the financial instruments expire, or when the financial assets and all substantial risks and rewards of ownership have been transferred to another party. If the Association neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Association recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Association retains substantially all the risks and rewards of ownership of a transferred financial asset, the Association continues to recognize the financial asset and also recognizes collateralized borrowing for the proceeds received.

e. Financial Liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Association designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

Financial liabilities include liability on individual equity value, members' contribution received in advance, claims payable on basic contingent benefit, optional benefit reserves, claims payable on optional benefit, basic contingent benefit reserve and other payables, (excluding tax payables and post-employment benefit obligation), are recognized when the Association becomes a party to the contractual terms of the instrument. All interest-related charges are recognized as Interest expense in the statement of operation.

Liability on individual equity value is recognized initially at fair value, which is the issue proceeds (fair value of the consideration received). Other payables and members contributions received in advance, are recognized initially at their fair value and subsequently measured at amortized cost for maturities beyond one year, less settlement payments.

Claims payable on basic contingent benefit, optional benefit reserves, claims payable on optional benefit, and basic contingent benefit reserves are recognized at fair value which is the amount recommended by an independent actuary.



-10-

Financial liabilities are derecognized from the statement of financial condition only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

f. Offsetting Financial Instruments

Financial assets and liabilities are set-offs and the resulting net amount is reported in the statement of financial condition when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented as gross in the statement of financial condition. The right of set-off must be available at the end of the reporting period, that is, it is not contingent on a future event. It must also be enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy; and must be legally enforceable for both entity and all counterparties to the financial instruments.

Prepayments

Prepayments pertain to other resources controlled by the Association as a result of past events. They are recognized in the financial statements when it is probable that future economic benefits will flow to the entity and the asset has a cost or value that can be measured reliably.

Prepayments include prepaid expenses which will be amortized over the term of the asset. Prepayments are recognized and measured at transfer cost and other assets are recognized and measured at transfer cost or the amount of cash paid. Subsequently, these, are charged to expense as they are consumed in operations or expire after the passage of time.

Property and Equipment

Property and equipment are carried at acquisition or construction cost less accumulated depreciation and any impairment in value.

The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. When assets are sold, retired or otherwise disposed of, their cost and related accumulated depreciation and impairment losses are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Office equipment	3 - 10 years
IT Equipment	4 - 10 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and estimated useful life of property and equipment are reviewed and adjusted if appropriate, at each reporting date.



-11-

An item of property and equipment, including the related accumulated depreciation and impairment losses, is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statements of operation in the year the item is derecognized.

Impairment of Non-financial Assets

The Association's property and equipment are subject to impairment testing. All other individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, assets are tested for impairment either individually or at the cash-generating unit level.

Impairment loss is recognized for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and its value in use. In determining value in use, management estimates the expected future cash flows from each cash-generating unit and determines the suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Association's latest approved budget, adjusted as necessary to exclude the effects of asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset or cash-generating unit's recoverable amount exceeds its carrying amount.

Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the end of the reporting period, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. When the time value of money is material, long-term provisions are discounted to their present values using a pre-tax rate that reflects market assessments and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as an interest expense. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.



-12-

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Association that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, they are not recognized in the financial statements. On the other hand, any reimbursement that the Association can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

Revenue and Expense Recognition

For other income arises in the performance of the Association's services, the Association follows a 5-step process to determine whether to recognize revenue:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as a performance obligation(s) are satisfied.

For Step 1 to be achieved, the following five gating criteria must be present:

- i. the parties to the contract have approved the contract either in writing, orally or in accordance with other customary business practices;
- ii. each party's rights regarding the goods or services to be transferred or performed can be identified;
- iii. the payment terms for the goods or services to be transferred or performed can be identified;
- iv. the contract has commercial substance (i.e., the risk, timing or amount of the future cash flows is expected to change as a result of the contract); and,
- v. collection of the consideration in exchange for the goods and services is probable.

Revenue is recognized either at a point in time or overtime, when (or as) the Association satisfies performance obligations by transferring the promised goods or services to its customers.

A performance obligation is satisfied at a point in time unless it meets one of the following criteria, in which case it is satisfied over time:

- i. the customer simultaneously receives and consumes the benefits provided by the Association's performance as the Association performs;
- ii. the Association's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; and,
- iii. the Association's performance does not create an asset with an alternative use to the Association and the entity has an enforceable right to payment for performance completed to date.

The Association recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial condition. Similarly, if the Association satisfies a performance obligation before it receives the consideration, the Association recognizes either a contract asset or a receivable in its statement of financial condition, depending on whether something other than the passage of time is required before the consideration is due.



Income that was recognized under the above criteria is discussed as follows:

- a. *Premiums and contributions* – revenue is recognized monthly as they become due from members and is reliably measured.
- b. *Interest income*. Interest income arising from cash and cash equivalents, short-term financial assets and investment securities at amortized cost, and membership contribution receivables are recognized on an accrual basis using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset. The EIR is established on initial recognition of the financial asset and is not revised subsequently. When the related financial asset becomes impaired, the recognition of interest income is suspended and/or limited up to the extent of cash collections received.
- c. *Other income* – revenue is recognized as they incurred.

Cost and operating expenses are recognized in profit or loss upon utilization of services or at the date they are incurred. All finance costs are reported in profit or loss on an accrual.

Employee Benefits

The Association provides short-term benefits and post-employment benefits to employees through a defined benefit plan, as well as various defined contribution plans.

a. Defined Benefit Plan

A defined benefit plan is a post-employment plan that defines the amount of post-employment benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary. The legal obligation for any benefits from this kind of post-employment plan remains with the Association, even if plan assets for funding the defined benefit plan have been acquired. Plan assets may include assets specifically designated to a long-term benefit fund, as well as qualifying insurance policies. The Association's defined benefit post-employment plan covers all regular full-time employees.

The liability recognized in the statement of financial condition for the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using a derived discount rate based on the interest rates of zero-coupon government bonds as published by the Philippine Dealing and Exchange Corporation that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related post-employment liability.

Actuarial gains and losses are charged or credited to profit or loss in the year in which they arise.

Past-service costs are recognized immediately in profit or loss.



b. Defined Contribution Plan

A defined-contribution plan is a post-employment plan under which the Association pays fixed contributions to an independent entity. The Association has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognized in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognized if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

c. Termination Benefits

Termination benefits are payable when employment is terminated by the Association before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Association recognizes termination benefits when it is demonstrably committed to either: (i) terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal, or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Leases

For any new contracts entered into on or after January 1, 2019, the Association considers whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Association assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association;
- the Association has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and,
- the Association has the right to direct the use of the identified asset throughout the period of use. The Association assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At the lease commencement date, the Association recognizes a right-of-use asset and a lease liability in the statement of financial condition. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequently, the Association depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Association also assesses the right-of-use asset for impairment when such indicators exist.



-15-

On the other hand, the Association measures the lease liability at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate. Lease payments include fixed payments (including in-substance fixed) less lease incentives receivable if any, variable lease payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options (either renewal or termination) reasonably certain to be exercised. Subsequent to the initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Association has elected to account for short-term leases and leases of low-value assets using practical expedients. Instead of recognizing a right-of-use asset, and a lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial condition, right-of-use assets and lease liabilities have been presented separately from property and equipment and other liabilities, respectively.

Income Taxes

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the end of the reporting period. They are calculated using the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.

Fund Balance

Assigned fund balance comprises of the appropriation transferred from undistributed earnings.

Revaluation surplus pertains to defined benefit plan reserve on actuarial gain or loss due to remeasurement of retirement benefit obligation.

Free and unassigned fund balances include all current and prior period results as disclosed in the statements of operation, net of transferred to assigned fund balance and dividends if any.

Related Party Transactions and Relationship

Related party transactions are transfers of resources, services or obligations between the Association and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Association; (b) associates; and, (c) individuals owning, directly or indirectly, an interest in the voting power of the Association that gives them significant influence over the Association and close members of the family of any such individual.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely to the legal form.



Events after the End of the Reporting Period

Any post-year-end event that provides additional information about the Association's financial condition at the end of the reporting period (adjusting event) is reflected in the financial statements. Post-year-end events that are not adjusting events, if any, are disclosed when they material to the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The Association's financial statements prepared in accordance with PFRS Accounting Standards for MBAs require management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

Critical Judgments in Applying Accounting Policies

In the process of applying the Association's accounting policies, management has made the following judgments, apart from those involving estimation, which has the most significant effect on the amounts recognized in the financial statements:

a. Determination of Lease Term of Contracts with Removal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease term is reasonably certain to be extended or not terminated.

For leases of offices, the factors that are normally the most relevant are (a) if their significant penalties should the Association pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant meaning value, the Association is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Association considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Association includes the renewal period as part of the lease term for leases of offices due to the significance of these assets to its operations. These leases have short, non-cancellable lease periods (i.e., four to ten years) and there will be a significant negative effect on production if a replacement is not readily available.

The lease term is reassessed if an option is exercised or not exercised or the Association becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Association.



b. Application of ECL on Financial Assets at Amortized Cost

The Association uses a provision matrix to calculate ECL for all debt instruments carried at amortized cost. The allowance for impairment is based on ECLs associated with the probability of default of a financial instrument in the next 12 months unless there has been a significant increase in credit risk since the origination of the financial instrument, in such case, a lifetime ECL for the instrument is recognized.

The Association has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of a default occurring over the remaining life of the financial instrument.

c. Evaluation of Business Model Applied in Managing Financial Instruments

The Association manages its financial assets based on business models that maintain an adequate level of financial assets to match its expected cash outflows, largely its core deposit funding arising from members' withdrawals and continuing disbursements to members, while maintaining a strategic portfolio of financial assets.

The Association developed business models that reflect how it manages its portfolio of financial instruments. The Association's business models need not be assessed at the entity level or as a whole but shall be applied at the level of a portfolio of financial instruments (i.e., a group of financial instruments that are managed together by the Association) and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of the individual financial instrument).

In determining the classification of a financial instrument under PFRS 9, the Association evaluates in which business model a financial instrument or a portfolio of financial instruments belongs taking into consideration the objectives of each business model established by the Association (e.g., held-for-trading, generating accrual income, direct matching to a specific liability) as those relating to the Association's investment strategies.

d. Testing the Cash Flows Characteristics of Financial Assets and Continuing Evaluation of the Business Model

In determining the classification of financial assets under PFRS 9, the Association assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are SPPI on the principal outstanding, with interest representing the time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents the time value of money and credit risk) does not meet the amortized cost criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as the modified time value of money, the Association assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion.



The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of the money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Association considers the effect of the modified time value of the money element in each reporting period and cumulatively over the life of the financial instrument.

In addition, PFRS 9 emphasizes that if more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how much sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the Association considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessarily inconsistent with a held-to-collect business model if the Association can explain the reasons for those sales and why those sales do not reflect a change in the Association's objective for the business model.

e. Determination of Timing of Satisfaction of Performance Obligations

The Association determines that its revenue from services shall be recognized over time. In making its judgment, the Association considers the timing of receipt and consumption of benefits provided by the Association to the borrowers or customers.

In determining the best method of measuring the progress of the Association's rendering of services, management considers the input method under PFRS 15 because of the direct relationship between the Association's effort, in terms of incurred labor hours, and the transfer of service to the customer or borrower.

f. Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Policies on recognition and disclosure of provisions and disclosure of contingencies are discussed in Note 2 and relevant disclosures are presented in Note 25.

Key Sources of Estimation Uncertainty

Presented below and in the succeeding pages are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of resources and liabilities within the next financial year:

a. Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about future economic conditions and credit behavior (e.g., the likelihood of customers defaulting and the resulting losses).

The carrying value of receivables and the analysis of the related allowance for impairment on such financial assets are shown in Note 5.



b. Fair Value Measurement for Financial Instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

The fair values of the Association's financial instruments are disclosed in Note 27.

c. Estimation of Useful Lives Property and Equipment

The Association estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of property and equipment property are analyzed in Note 10. Based on management assessment as at December 31, 2024 and 2023, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

d. Impairment of Non-financial Assets

PFRS requires that an impairment review be performed when certain impairment indications are present. The Association's policy on estimating the impairment of non-financial assets is discussed in detail in Note 2. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

e. Valuation of Post-employment Defined Benefit Obligation

The determination of the Association's retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 21 and include, among others, discount rates, expected return on plan assets and salary increase rate. In accordance with PFRS Accounting Standards, actual results that differ from the assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods.

f. Valuation of Optional Benefit Reserves and Basic Contingent Benefit Reserve

Valuation of Optional Benefit Reserves and Basic Contingent Benefit Reserve represent estimates of the present value of future benefit payments to members. These estimates are based on the valuation method subject to the provisions of the Insurance Code and guidelines set by the Insurance Commission.



At each reporting date, these estimates are reassessed for adequacy and changes will be reflected in adjustments to the liability.

4. CASH AND CASH EQUIVALENTS

This account comprises of the following:

	2024	2023
Cash in banks	P 36,585,425	P 17,664,659
Short-term placements	680,580	4,753,127
	<u>P 37,266,005</u>	<u>P 22,417,786</u>

Cash in banks generally earns interest at rates based on daily banks deposit rates. Short-term placements are made for varying periods ranging from 30 to 90 days and earn effective interest of 1.25% per annum in 2024 and 1.25% to 1.5% in 2023. The interest earned in cash in banks and short-term placements amounted to P11,710 in 2024 and P66,017 in 2023 and is presented as part of Interest income under Revenues in the statements of operation (see Note 19).

5. RECEIVABLES

The details of this account are shown below:

	2024	2023
Members contribution receivables	P 25,154,159	P 25,202,960
Advances to officers and employees	56,369	25,311
Accounts receivable - others	54,466	103,023
	<u>P 25,264,994</u>	<u>P 25,331,294</u>

These accounts are presented in the statements of financial condition as follows:

	2024	2023
Current	P 110,835	P 128,334
Non-current	25,154,159	25,202,960
	<u>P 25,264,994</u>	<u>P 25,331,294</u>



Members contribution receivables represent automatic contributions applied by the Association, as provided for in the membership certificate, to cover contribution(s) due on the certificate but still unpaid within the grace period. This receivables together with interest is payable on or before his next contribution due date, but if it is not paid, both receivables and interest automatically become a new receivables on such contribution due date on which interest will be charged at the rate provided by the actuary in effect from that date. The total interest income on this receivables amounted to P2,868,385 and P2,114,450 and is presented as part of the premiums and contributions (*see Note 18*).

Accrued interest receivable pertains to interest income earned on bonds but not yet collected by the Association.

Advances to officers and employees refer to duly approved cash advances for official business officers and employees, subject to liquidation in accordance with the Association's policy.

Accounts receivable – others include benefits paid in advance to employees and small claims of the Association in Basic Life Insurance Plan (BLIP).

The above receivables are expected to be collected within one (1) year from the end of the reporting date. No provision for impairment loss was recognized during the year since the management believes that these receivables are all collectible.

6. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

This account pertains to investment in Unit Investment Trust Funds – BPI Bayanihan Fund (UITF-BBF).

The movement of this account is as follows:

	2024	2023
Balance at beginning of year	P 9,069,628	P 8,701,514
Additions	395,069	368,114
Balance at end of year	P 9,464,697	P 9,069,628

The interest earned on this financial asset at fair value through profit or loss amounting to P395,068 and P368,114 in 2024 and 2023, respectively, is presented as part of Interest income (*see Note 19*).

7. SHORT-TERM FINANCIAL ASSETS

The account represents time deposits amounting to nil and P4,159,243 as at December 31, 2024 and 2023 respectively.

The time deposits have a terms ranging from 90 to 180 days and earn interest ranging from 0.125% to 0.625% in 2024 and 2023. Total interest income earned on time deposits in 2024 and 2023 amounted to P287,697 and P159,243, respectively, is included under Interest Income account (*see Note 19*).



8. PREPAYMENTS

This account pertains to the unamortized portion of prepaid reinsurance premium amounting to nil and P715,133 as at December 31, 2024 and 2023, respectively. This will be amortized over 12 months after the end of each reporting periods.

9. FINANCIAL ASSET AT AMORTIZED COST

This account pertains to the following:

	2024	2023
Treasury bills (T-bills)	P 38,600,000	P 38,600,000
Unamortized premium (discount)	1,703,616	(138,046)
	<u>P 40,303,616</u>	<u>P 38,461,954</u>

The T-Bills pertain to investment in government securities with terms ranging from 3 to 10 years and bears an annual effective interest of 2.63% in 2024 and 2023. The interest earned on this financial asset at amortized cost amounted to P1,289,504 in 2024 and P1,053,951 in 2023 and are presented as part of Interest income (*see Note 19*).

The above investments were set aside in compliance with the Association's registration as a mutual benefit Association.

10. PROPERTY AND EQUIPMENT

The gross carrying amounts and the accumulated depreciation at the beginning and end of 2024 and 2023 are shown below:

	Office Equipment	IT Equipment	Total
December 31, 2024			
Cost	P 1,507,923	P 4,206,700	P 5,714,623
Accumulated depreciation	(1,226,591)	(858,367)	(2,084,958)
Net carrying amount	<u>P 281,332</u>	<u>P 3,348,333</u>	<u>P 3,629,665</u>
December 31, 2023			
Cost	P 1,253,205	P 4,021,900	P 5,275,105
Accumulated depreciation	(1,049,766)	(642,516)	(1,692,282)
Net carrying amount	<u>P 203,439</u>	<u>P 3,379,384</u>	<u>P 3,582,823</u>
December 31, 2022			
Cost	P 1,137,710	P 2,588,080	P 3,725,790
Accumulated depreciation	(932,913)	(608,190)	(1,541,103)
Net carrying amount	<u>P 204,797</u>	<u>P 1,979,890</u>	<u>P 2,184,687</u>



-23-

The reconciliation of the carrying amounts at the beginning and end of 2024 and 2023 of property and equipment is shown below:

	Office Equipment	IT Equipment	Total
Balance at January 1, 2024 net of accumulated depreciation	P 203,439	P 3,379,384	P 3,582,823
Additions	254,718	184,800	439,518
Depreciation for the year (see Note 20)	(176,825)	(215,851)	(392,676)
Balance at December 31, 2024 net of accumulated depreciation	<u>P 281,332</u>	<u>P 3,348,333</u>	<u>P 3,629,665</u>
Balance at January 1, 2023 net of accumulated depreciation	P 204,797	P 1,979,890	P 2,184,687
Additions	115,495	1,433,820	1,549,315
Depreciation for the year (see Note 20)	(116,853)	(34,326)	(151,179)
Balance at December 31, 2023 net of accumulated depreciation	<u>P 203,439</u>	<u>P 3,379,384</u>	<u>P 3,582,823</u>

As at December 31, 2024 and 2023, there was no property and equipment pledged as collateral for liabilities. There were no expenses recognized related to impairment in both years.

11. LIABILITY ON INDIVIDUAL EQUITY VALUE

This pertains to fifty percent (50%) of the basic contribution. In accordance with the provisions of the Insurance Code, every outstanding membership certificate must have, after three (3) full years of being continuously in force, an equity value of at least 50% of the total membership dues collected from the members. The equity is payable to the members upon the termination of their membership in the Association. In accordance with the same code, the Association is required to put up a reserve liability not lower than the equity value of all in-force, active certificates as at the end of each calendar year. Liability on the individual equity value of the Association as at December 31, 2024 and 2023 amounted to P39,844,485 and P40,852,726, respectively.

The individual equity value shall earn interest as declared by the Association but in no case lower than the average deposit interest rate that the top three (3) banks in the country offer for their savings deposit. The equity value shall also share in the divisible surplus, if any, of the Association. The Association declared an annual interest of 2% in 2024 and 2023. Total interest expense amounted to P2,535,620 and P2,543,528 in 2024 and 2023, respectively, presented as part of Other benefit expenses (see Note 20).

**12. MEMBERS' CONTRIBUTIONS RECEIVED IN ADVANCE**

This account represents members' contributions received which is not yet due/earned amounting to P2,937,419 and P2,681,797 as at December 31, 2024 and 2023, respectively. The account is expected to be applied within the next reporting date.

13. CLAIMS PAYABLE ON BASIC CONTINGENT BENEFIT

This account represents the sum of the individual claims on the membership certificate amounting to P1,817,156 and P1,773,458 as at December 31, 2024 and 2023, respectively, that have already occurred but on which notice has not yet been received by the Association. This estimate takes into account any policy reserve liability set up by the Association and any amount recoverable from the reinsurers. During the year, claims benefit payables have already been settled.

14. OPTIONAL BENEFIT RESERVES

Optional benefit reserve represents the total actuarial reserve set up by the Association pertaining to the policies under optional benefit that is in force as at the end of the accounting period. It refers to the amount of liability that the Association establishes for an optional policy to meet the contractual obligation as it falls due. Actuarial valuations were performed to determine if the reserve is enough to cover this obligation, its actuarial report were dated March 7, 2025 and February 29, 2024, for the years 2024 and 2023, respectively.

The movement in optional benefit reserves is presented below:

	2024	2023
Balance at beginning of year	P 10,658,694	P 4,618,650
Reclassification from basic contingent benefit reserve (see Note 16)	-	5,579,726
Increase (decrease) in actuarial valuation (see Note 20)	(402,156)	460,318
Balance at end of year	P 10,256,538	P 10,658,694

15. CLAIM PAYABLE ON OPTIONAL BENEFIT

This account represents the sum of the individual claims on optional policies that have already occurred but on which notice has not yet been received by the Association amounting to P2,304,336 and P3,483,840 as at December 31, 2024 and 2023, respectively. This estimate takes into account any policy reserve liability set up by the Association and any reinsurers.



16. BASIC CONTINGENT BENEFIT RESERVE

This represents the total actuarial reserve set up by the Association pertaining to the basic life benefit that is in force at the end of the accounting period. It refers to the amount of liability that the Association establishes for a certificate to meet the contractual obligation as it fails due. Actuarial valuations were performed to determine the reserve, its actuarial report were dated March 7, 2025 and February 29, 2024, for the years 2024 and 2023, respectively.

The movement in the basic contingent benefit reserves is presented below:

	2024		2023
Balance at beginning of year	P 1,861,153	P	6,409,311
Reclassification to optional benefit reserves	-	(5,579,726)
Increase in actuarial valuation (see Note 20)	94,519		1,031,568
Balance at end of year	P 1,955,672	P	1,861,153

17. OTHER PAYABLES

This account consists of the following:

	2024		2023
Accrued expenses	P 3,614,533	P	809,427
SSS, Pag-ibig and Philhealth contribution payable	38,741		27,459
Withholding tax payable	37,239		38,138
Accounts payable - others	6,120,382		2,653,509
	P 9,810,895	P	3,528,533

Accrued expenses pertain to accruals of professional fees and other unpaid benefits of the Association's employees which are normally settled within one to three months after the end of the reporting period.

SSS, Pag-ibig, and Philhealth contributions payable and withholding tax payable pertain to statutory payables to BIR and other government agencies which are remitted at an average term of 10-25 days after the end of the financial reporting period.

Accounts payable - others pertain to unidentified deposits, advance payments, due from brother's management system, employee's dues, insurance, equity value of retired members and commission payable.



-26-

18. PREMIUMS AND CONTRIBUTIONS

The account consists of the following:

	2024	2023
Members' contributions	P 35,515,394	P 32,749,980
Premiums	22,787,082	19,040,355
Premiums ceded to reinsurers-micro	(2,666,692)	(2,100,868)
	<u>P 55,635,784</u>	<u>P 49,689,467</u>

Members' contributions represent considerations given by the member in exchange for the promises of the Association to pay a stipulated sum in the event of a loss covered under the basic benefits indicated in the Internal Rules and Regulations (IRR) of the Association and/or membership certificates.

Premiums represent considerations given by the insured in exchange for the promises of the Association to pay; a stipulated sum in the event of a loss covered under the optional insurance contract of the Association.

19. INTEREST INCOME

The account consists of the following:

	2024	2023
Interest income - investments (see Notes 6, 7 and 9)	P 1,972,269	P 1,581,961
Interest income - bank deposits and short-term placements (see Note 4)	<u>11,710</u>	<u>66,017</u>
	<u>P 1,983,979</u>	<u>P 1,647,978</u>



-27-

20. EXPENSES

Benefits Expenses

The composition of this account is as follows:

		<u>2024</u>		<u>2023</u>
Net benefits/claims- optional benefits	P	8,256,496	P	8,338,342
Net benefits/claims - optional - micro		4,127,466		7,194,485
Net benefits/claims- basic benefits		1,261,301		1,132,342
Benefits/claims - basic benefits (burial)		<u>254,000</u>		<u>308,000</u>
	P	<u>13,899,263</u>	P	<u>16,973,169</u>

Benefits expenses represents the aggregate losses and claims, including a refund of equity value, if any, against the Association arising from the certificates and insurance contracts issued to members. This can be further classified into basic and optional premiums.

Other Benefits Expenses

Below are the details of other benefit expenses:

		<u>2024</u>		<u>2023</u>
Membership enrollment and marketing expenses	P	10,578,809	P	7,723,998
Increase in liability on individual equity value		7,896,611		6,039,647
Increase in reserve for basic contingent benefit (see Note 16)		94,519		1,031,568
Increase (decrease) in reserve for optional benefit (see Note 14)	(402,156)		460,318
Other expenses for members		<u>135,000</u>		<u>64,202</u>
	P	<u>18,302,783</u>	P	<u>15,319,733</u>



-28-

Operating Expenses

The details of this account are shown below:

	2024		2023
Salaries, wages and other employee benefits (<i>see Note 21</i>)	P 8,817,489	P	6,665,595
Professional and technical development	1,975,999		501,435
Meetings and conferences	1,635,053		1,347,594
Travel expenses	1,148,940		907,095
Utilities	1,054,098		418,119
Annual general assembly	1,028,998		939,799
Representation	642,906		237,804
Technical and professional fees	501,132		320,323
Depreciation (<i>see Note 10</i>)	392,676		151,179
Office supplies	179,227		76,709
Social and community service	163,824		131,500
Rental (<i>see Note 25</i>)	63,158		63,158
Dues and subscription	50,250		95,450
Taxes, licenses and fees (<i>see Note 30</i>)	41,400		23,121
Investment management fees	33,114		14,000
Repairs and maintenance	20,731		32,900
Bank and other charges	14,017		24,419
Insurance	5,986		5,986
Miscellaneous	82,540		59,929
	<u>P 17,851,538</u>	P	<u>12,016,115</u>

21. EMPLOYEE BENEFITS

Expenses recognized for salaries and employee benefits are presented below:

	2024		2023
Salaries and employee benefits	P 5,771,025	P	4,951,966
Employee welfare and benefits	2,025,026		1,044,761
Post-employment benefit costs	538,637		271,496
Social security costs	482,801		397,372
	<u>P 8,817,489</u>	P	<u>6,665,595</u>

Post-Employment Benefits

The Board of Trustees duly approved the adoption of the Republic Act (R.A.) No. 7641, the provision on providing retirement benefits to its employees. The Association's net defined benefit liability amounted to P2,206,023 and P1,652,112 as at December 31, 2024 and 2023, respectively.



Actuarial valuations were performed on January 14, 2025 and January 2, 2024 for the years ended December 31, 2024 and 2023, respectively, to determine the retirement benefits obligation to be recognized in accordance with the Philippine Accounting Standards No. 19 (PAS 19) as revised and to determine appropriate amounts for funding.

The Projected Unit Credit (PUC) method of valuation was used. The discount rate used was 6.11% and 6.09% p.a. in 2024 and 2023, respectively, which was based on approximated zero-coupon yield of government bonds with the remaining period to maturity approximating the estimated average duration of benefit payment. The average duration is estimated to be 18 years.

To approximate the zero-coupon yield for a given period to maturity, the BVAL reference rate as published by the PDS Group with the same period to maturity was simply adopted. This approximation method is based on the principle that zero-coupon bond yields could be higher or lower than the coupon-paying bond yields depending on interest rate outlook and Investors' liquidity requirements as shown by a study of actual market transactions and thus, such rates should be close on the average. All other popular methods produce results consistently lower or high than the coupon-paying yield given a normal yield curve. The salary increase rate was assumed at 5.00% per annum in 2024 and 2023 taking into consideration the prevailing inflation rate and Association policy.

The movement in the net liability recognized in the financial condition is presented as follows:

	2024	2023
Balance at beginning of year	P 1,652,112	P 1,087,547
Post-employment benefit cost	538,637	271,496
Remeasurement of net defined liability	15,274	447,993
Benefit paid	-	(154,924)
Balance at end of year	<u>P 2,206,023</u>	<u>P 1,652,112</u>

The changes in the present value of defined benefit obligation are presented as follows:

	2024	2023
Present value of defined benefit liability	P 1,807,036	P 1,087,547
Current service cost	273,665	193,689
Net interest in the net defined benefit liability	110,048	77,807
Remeasurement of net defined benefit liability	15,274	447,993
Benefit paid	-	(154,924)
	<u>P 2,206,023</u>	<u>P 1,652,112</u>



-30-

The components of amounts recognized in statements of operations in respect of the defined benefit post-employment plan are as follows:

	2024	2023
<i>Reported in profit or loss:</i>		
Service cost	P 428,589	P 193,689
Interest cost	110,048	77,807
	<u>P 538,637</u>	<u>P 271,496</u>
<i>Reported in comprehensive revenues:</i>		
Actuarial loss due to liability experience	P 15,274	P 447,993
Losses on return on plan assets	-	-
	<u>P 15,274</u>	<u>P 447,993</u>

22. TAX EXPENSE

As mentioned in Note 1, the Association is exempt from the payment of income tax under Section 30c of the National Internal Revenue Code.

23. FUND BALANCE

Assigned Fund Balance

This account consists of the following:

	2024	2023
Guaranty fund	P 29,106,160	P 26,191,036
Members' benefit	1,231,586	1,231,586
	<u>P 30,337,746</u>	<u>P 27,422,622</u>

The reconciliation of the assigned fund balance is presented below:

	2024	2023
Balance at beginning of year	P 27,422,622	P 24,835,972
Additional reserves for the year	2,915,124	2,586,650
	<u>P 30,337,746</u>	<u>P 27,422,622</u>



Fund Assigned for Guaranty Fund

In compliance with Sec. 405 of the Insurance Code of the Philippines (as amended by R.A. No. 10607, dated August 15, 2013), the Association has constituted and established a guaranty fund which is deposited with the Insurance Commission as a primary requirement for a license to operate of every mutual benefits association. Any accrual to such fund, be it interest earned or dividend additions on money or securities so deposited, may, be withdrawn by the Association if there is no pending benefit claim against it, including interest thereon or dividend additions.

Any increase in the guaranty fund must be in accordance with Sec. 410 of the Insurance Code of the Philippines (as amended by R.A. No. 10607, dated August 15, 2013) wherein every mutual benefit association must accumulate and maintain, out of periodic dues collected from its members, sufficient reserves for the payment of claims or obligations. Also, a reserve liability shall be established in accordance with actuarial procedures and shall be approved by the Commissioner.

Net contributions from members set up by the Association amounted to P2,915,124 and P2,586,650 in 2024 and 2023, respectively.

Fund Assigned for Members' Benefit

This fund is set aside for the benefit of the members of the Association.

Revaluation Surplus

The Association's revaluation surplus pertain to remeasurements of the post-employment defined benefit plan amounting to (P13,724) accumulated actuarial gain (loss) and P1,550 as at December 31, 2024 and 2023.

24. RELATED PARTY TRANSACTIONS AND RELATIONSHIP

The Association's related parties include the Association's key management personnel.

The Association's transactions and outstanding balance with its related parties follows:

	2024		2023	
	Amount of Transactions	Outstanding Balance	Amount of Transactions	Outstanding Balance
Key Management Compensation	P -	P 832,034	P -	P 774,843

Key management refer to the President of the Association.

The compensation of key management personnel pertains mainly to short-term benefits amounting to P832,034 in 2024 and P774,843 in 2023.



25. COMMITMENTS AND CONTINGENCIES

Lease Commitment

The Association entered into a lease agreement for its office space. The lease has a term of one year renewable at the expiration of the contract as mutually agreed by the lessor. The Association has elected not to recognize a lease liability on short-term leases. Payments made under such leases are expensed on a straight-line basis. Total rentals from this operating lease amounted to P63,158 in 2024 and 2023 (see Note 20).

Others

In the normal course of business, the Association makes various commitments and incurs certain contingent liabilities that are not given recognition in the Association's financial statements. As at December 31, 2024 and 2023, management believes that losses, if any, that may arise from these commitments and contingencies will not have a material effect on the Association's financial statements.

26. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association is exposed to a variety of financial risks in relation to financial instruments. The Association's financial assets and liabilities by category are summarized in Note 27. The main types of risks are market risk, credit risk and liquidity risk.

The management takes charge of the Association's overall risk management strategies which are focused on actively monitoring and securing the Association's short to medium-term cash flows by minimizing exposure to financial markets.

The Association does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Association is exposed are described below.

Market Risk

The Association is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks which result from both its operating and investing activities.

a. Foreign Currency Sensitivity

The Association has no significant exposure to foreign currency risks as most transactions are denominated in the Philippine peso, its functional currency.

b. Interest Rate Sensitivity

The Association's policy is to minimize interest rate cash flow risk exposures on long-term financing. The Association is exposed only to changes in market interest rates through its cash and cash equivalents, a financial asset at amortized cost and other funds and deposits as there are no existing bank borrowings. All other financial assets (such as membership contribution receivables) and financial liabilities (such as accounts payable and members' deposits) have fixed interest rates.



-33-

The table below illustrates the sensitivity of the Association's impact on profit or loss before tax and equity to a reasonably possible change in interest rates of +/- 1.82% and +/-1.90% in 2024 and 2023, respectively. These changes are considered to be reasonably possible based on the observation of current market conditions. The calculations are based on a change in the average market interest rate for each period and the financial instruments held at the end of each reporting period that is sensitive to changes in interest rates. All other variables are held constant.

		2024		2023	
		+182	-182	+190	-190
Impact on profit and loss	P	7,703,882	(P 7,703,882)	P 7,161,968	(P 7,161,968)
Impact on equity		5,777,912	(5,777,912)	5,371,476	(5,371,476)

c. *Other Price Risk Sensitivity*

Price risk is the risk that the Association incurs losses due to changes in market values of financial instruments arising from movements in market prices.

As at December 31, 2024 and 2023, the Association has minimal exposure to price risk since the financial instruments held by the Association mostly pertains to cash in banks, short-term investment, membership contribution receivables, and other financial liabilities which are not affected by movements in market prices.

Credit Risk

Credit risk is the risk that the counterparty fails to discharge an obligation to the Association. The Association is exposed to this risk for various financial instruments, for example by membership contribution receivables of members and placing deposits and investments in bonds.

An analysis of the maximum exposure to credit risk, net of allowance for credit and impairment losses, to credit risk exposures before taking into account any collateral held or other credit enhancements for the components of the statements of financial condition is shown below:

	2024	2023
Cash and cash equivalents	P 36,585,425	P 22,417,786
Receivables	25,264,994	25,331,294
Financial asset at fair value through profit or loss	9,464,697	9,069,628
Short-term financial assets	680,579	4,159,243
Financial assets at amortized cost	40,303,616	38,461,954
	<u>P 112,299,311</u>	<u>P 99,439,905</u>



The credit risk for cash and cash equivalents and, short-term placement is considered negligible since the counterparties are reputable banks with high-quality external credit ratings. Financial assets at an amortized cost measured at amortized cost and FVPTL are considered to have low credit risk. Management considers low credit risk for listed bonds to be an investment-grade credit rating with at least one major rating agency. Deposits with banks are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 for every depositor per banking institution. The insurance coverage was further increase to P1,000,000 effective March 15, 2025. Financial asset at amortized cost consists of T-bills issued by the Philippine government, hence low credit risk. The Association is considered to have low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

In respect of receivables, the Association is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Based on historical information about members' default rates, management considers the credit quality of receivables that are not past due or impaired to be good.

The Association applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all receivables. To measure the expected credit losses accounts receivable have been grouped based on shared risk characteristics and days past due. As at December 31, 2024, and 2023, no past due on receivables. None of the receivables is impaired.

Liquidity Risk

Liquidity risk is generally defined as the current and prospective risk to earnings or capital arising from the Association's inability to meet its obligations when they fall due without incurring unacceptable losses or costs.

The Association's Management Committee is responsible for the overall management and oversight of the Association's liquidity profile, while the day-to-day management of liquidity is assumed by the Finance Department. A cash flow mismatch analysis is used to measure the Association's liquidity. A maturity ladder is constructed to determine the cumulative net excess or deficit of funds at appropriate time bands. Net cumulative outflow limits have been put in place to ensure that the Association's funding requirements are not strained.



-35-

The tables below summarize the maturity profile of the Association's financial instruments:

		2024				
		On Demand	Less than 3 Months	3 to 12 Months	Over 1 Year	Total
Financial assets:						
Cash and cash equivalents	P	36,585,425	P 680,579	P -	P -	P 37,266,004
Receivables		110,835	-	-	25,154,159	25,264,994
Financial asset at fair value through profit or loss		9,464,697	-	-	-	9,464,697
Short-term financial assets		-	-	-	-	-
Other funds and deposits		-	-	-	-	-
Financial asset at amortized cost		-	-	-	40,303,616	40,303,616
	P	46,160,957	P 680,579	P -	P 65,457,775	P 112,299,311
Financial liabilities:						
Liability on						
individual equity value	P	39,844,485	P -	P -	P -	P 39,844,485
Members contribution received in advance		2,937,419	-	-	-	2,937,419
Claims payable on basic contingent benefit		1,817,156	-	-	-	1,817,156
Optional benefit reserve		10,256,538	-	-	-	10,256,538
Claims payable on optional benefit		2,304,336	-	-	-	2,304,336
Basic contingent on benefit reserve		1,955,672	-	-	-	1,955,672
Other payables		-	9,734,915	-	-	9,734,915
	P	59,115,606	P 9,734,915	P -	P -	P 68,850,521
Cumulative gap	(P	12,954,649)	(P 9,054,336)	P -	P 65,457,775	P 43,448,790



-36-

		2023				
		On Demand	Less than 3 Months	3 to 12 Months	Over 1 Year	Total
Financial assets:						
Cash and cash equivalents	P	17,664,659	P 4,753,127	P -	P -	P 22,417,786
Receivables		128,334	-	-	25,202,960	25,331,294
Financial asset at fair value through profit or loss		9,069,628	-	-	-	9,069,628
Short-term financial assets		-	4,159,243	-	-	4,159,243
Other funds and deposits		-	-	-	-	-
Financial asset at amortized cost		-	-	-	38,461,954	38,461,954
	P	26,862,621	P 8,912,370	P -	P 63,664,914	P 99,439,905
Financial liabilities:						
Liability on						
individual equity value	P	40,852,726	P -	P -	P -	P 40,852,726
Members contribution received in advance		2,681,797	-	-	-	2,681,797
Claims payable on basic contingent benefit		1,773,458	-	-	-	1,773,458
Optional benefit reserve		10,658,694	-	-	-	10,658,694
Claims payable on optional benefit		3,483,840	-	-	-	3,483,840
Basic contingent on benefit reserve		1,861,153	-	-	-	1,861,153
Other payables		-	3,462,936	-	-	3,462,936
	P	61,311,668	P 3,462,936	P -	P -	P 64,774,604
Cumulative gap	(P	34,449,047)	P 5,449,434	P -	P 63,664,914	P 34,665,301

To ensure that the Association maintains a prudent management level of the cumulative negative gap, the Association maintains a pool of highly liquid assets in the form of short-term investments.



27. FAIR VALUE MEASUREMENT AND DISCLOSURES

Carrying Amounts and Fair Values by Category of Financial Assets

The following tables set forth the carrying values and estimated fair values of financial assets and liabilities, by category and by class, recognized as at December 31, 2024 and 2023:

	2024		2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<i>Financial assets:</i>				
Cash and cash equivalent	P 37,266,005	P 37,266,005	P 22,417,786	P 22,417,786
Receivables	25,264,994	25,264,994	25,331,294	25,331,294
Financial asset at fair value through profit or loss	9,464,697	9,464,697	9,069,628	9,069,628
Short-term financial assets	-	-	4,159,243	4,159,243
Other funds and deposits	-	-	-	-
Financial assets at amortized cost	40,303,616	40,303,616	38,461,954	38,461,954
	<u>P 112,299,312</u>	<u>P 112,299,312</u>	<u>P 99,439,905</u>	<u>P 99,439,905</u>
<i>Financial Liabilities:</i>				
Liability on individual equity value	P 39,844,485	P 39,844,485	P 40,852,726	P 40,852,726
Members contribution received in advance	2,937,419	2,937,419	2,681,797	2,681,797
Claims payable on basic contingent benefit	1,817,156	1,817,156	1,773,458	1,773,458
Optional benefit reserve	10,256,538	10,256,538	10,658,694	10,658,694
Claims payable on optional benefit	2,304,336	2,304,336	3,483,840	3,483,840
Basic contingent benefit reserve	1,955,672	1,955,672	1,861,153	7,429,786
Other payables	9,734,915	9,734,915	3,462,936	3,462,936
	<u>P 68,850,521</u>	<u>P 68,850,521</u>	<u>P 64,774,604</u>	<u>P 70,343,237</u>

The methods and assumptions used by the Association in estimating the fair value of the financial instruments are as follows:

i. *Cash and cash equivalents*

The carrying amounts approximate fair values given the short-term nature of the instruments.

ii. *Receivables, Short-term Investments and Financial Asset at Amortized Cost*

Receivables, short-term investments and financial assets at amortized cost are net of impairment losses. The estimated fair value of receivables, short-term investment and financial asset at amortized cost represents the discounted amount of estimated future cash flows expected to be received. Long-term receivables are periodically repriced at interest rates equivalent to the current market rates, to determine fair value.

iii. *Financial Asset at FVTPL*

Financial Asset at FVTPL is recognized initially at cost and subsequently measured at their fair value.



iv. *Liability on Individual Equity Value, Claims Payable on Optional benefit and Other Payable*

These liabilities are recognized initially at their fair value and subsequently measured at amortized cost. Fair value of these liabilities approximates their carrying values.

v. *Optional Benefit Reserves and Basic Contingent Benefit Reserve*

These liabilities are recognized initially at their fair value and subsequently measured based on actuarial valuation.

Fair Value Hierarchy

In accordance with PFRS 13, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the resource or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. There have been no significant transfers among Levels 1, 2 and 3 in the reporting periods.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For financial assets and liabilities which do not have quoted market price, the fair value is determined by using generally accepted pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Association uses a valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

There have been no significant transfers among Levels 1, 2 and 3 in the reporting periods. Financial asset at FVTPL is categorized at Level 2. There were no financial liabilities measured at fair value as at December 31, 2024 and 2023.



Fair Value Measurement for Non-financial Assets

There were non-financial assets measured at fair value as at December 31, 2024 and 2023.

28. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Association's capital management objectives are to ensure the Association's ability to continue as a going concern and to provide an adequate return to members by pricing products and services commensurately with the level of risk.

The Association sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Association manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Association may adjust the amount of dividends paid to members or sell assets to reduce debt.

The Association monitors capital on the basis of the carrying amount of equity as presented on the face of the statements of financial condition. Capital for the reporting periods under review is summarized as follows:

	2024	2023
Total liabilities	P 71,132,524	P 66,492,313
Total equity	44,796,453	37,245,548
Debt-to-equity ratio	1.59:1.00	1.79:1.00

Risk-Based Capital (RBC) Requirements

On December 8, 2006, the IC issued Insurance Memorandum Circular (IMC) No. 11-2006, *Adoption of Risk-Based Capital Framework For The Philippine Mutual Benefit Associations*, prescribes that all Mutual Benefit Association (MBA) must satisfy the minimum statutory RBC ratio of 100% and not fail the trend test as stated under II.A.2 of the IC Memorandum.

Every MBA is annually required to maintain a minimum RBC ratio of 100% and not fail the trend test. The trend test has failed, in the event that:

- The RBC ratio is less than 125% but is not below 100%
- The RBC ratio has decreased over the past year
- The difference between the RBC ratio and the decrease in the RBC ratio over the past year is less than 100%

Failure to meet the RBC ratio shall subject the insurance company to the corresponding regulatory intervention which has been defined at various levels.

The Association is complied with the RBC ratio in 2024 and 2023.



-40-

29. NON-ADMITTED ASSETS AND LIABILITIES

Pursuant to Section 197 of the Insurance Code, certain assets are classified and presented as non-admitted assets which consist of the following:

	2024	2023
Property and equipment	P 281,332	P 203,439
Accrued interest receivable	-	-
	<u>P 281,332</u>	<u>P 203,439</u>

30. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Presented below and in the succeeding page are the supplementary information that is required by the Bureau of Internal Revenue (BIR) under its existing revenue regulation to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS Accounting Standards for MBAs.

Requirements under Revenue Regulations (RR) 15-2010

The information on taxes, duties and license fees paid or accrued during the taxable year required under RR 15-2010 are as follows:

a. Output Value-added Tax (VAT)

The Association does not have output VAT for the year since there were no transactions subject to VAT.

b. Input VAT

Input VAT arising from various purchases was directly charged by the Association as cost and expense.

c. Tax on Importation

The Association has no tax on importation since it does not have any transactions which are subject to importation tax.

d. Excise Tax

The Association does not have excise tax in any of the years presented since it does not have any transactions which are subject to the excise tax.



-41-

e. *Documentary Stamp Tax*

The Association did not incur for documentary stamp tax for the year 2024.

f. *Taxes and Licenses*

The details of taxes and licenses account are broken down as follows:

Business permits	P	26,400
Others		<u>15,000</u>
	P	<u>41,400</u>

g. *Withholding Taxes*

The details of total withholding taxes for the year ended December 31, 2024 are shown below:

Compensation	P	257,713
Expanded		<u>47,513</u>
	P	<u>305,226</u>

h. *Deficiency Tax Assessment and Tax Case*

As at December 31, 2024, the Association neither has any deficiency tax assessment with the BIR nor tax case outstanding or pending in courts or bodies outside the BIR in any of the open years.

Requirements under Revenue Regulations (RR) 34-2020

On December 18, 2020, the BIR issued RR 34-2020 which prescribes the guidelines and procedures for the submission of BIR Form No. 1709, *Transfer Pricing Documentation (TPD)* and other supporting documents. As at December 31, 2024, the Association is not covered by the requirements and procedures for related party transactions provided under this RR.

PACKAGES

NMBAI PLANADO



This is a Basic Life Insurance Plan (BLIP) for the Principal Members and their dependents.

NMBAI PROTEKTADO



This is a Basic Life Insurance (BLIP) for the Principal Members and their dependents with Total and Permanent Disability (TPD) coverage. TPD pays the claim benefit in case of Member's disability due to accident or illness.

NMBAI PANATAG



This is a combination of Basic Life Insurance Plan (BLIP) for Principal Members and their dependents and a Hospital Income Benefit (HIB) coverage. HIB will provide financial assistance in case of Member's hospital confinement.

NMBAI SIGURADO



This is a combination of Basic Life Insurance Plan (BLIP) for Principal Members and their dependents, Hospital Income Benefit (HIB), and Total and Permanent Disability (TPD) coverage for the Principal Members.

NMBAI YAMANG PROTEKTADO



This is a Credit Life Insurance Plan (CLIP) that insures the Member's principal loan amount and will be payable to the cooperative or member's beneficiary in case of Member-Borrower's untimely death.

NMBAI ARUGA



This is a Basic Life Insurance Plan (BLIP) for Principal Members ages 65–75, and is renewable up to age 80. Now, our senior members can also be insured.

Aside from these microinsurance products, NATCCO MBI is now ready to offer you competitive HMO and Non-Life Insurance Products that would address your members' needs:

Health Management Care

An HMO- like product that can give benefits to the insured in times of sickness.

Motor Car Insurance

Compulsory Third-Party Cover, this will protect the vehicle from, Own Damage of Theft, Acts of Nature, Voluntary Third-Party Liability-Bodily Injury, Voluntary Third-Party Liability- Property Damage or Motor Vehicle Passenger Personal Accident.

Money, Security, Payroll Robbery

Protection against loss of money, securities, and other negotiable instruments used for business operations.

Surety Bond

It is a guarantee insurance in which a promise to pay one party (the obligee) a certain amount if a second party (the principal) fails to meet some obligations, such as fulfilling the terms of the contract.

Fidelity Guarantee

This insurance plan will protect the cooperative from direct financial loss caused by an act of fraud or infidelity committed by guaranteed employee.

Property Insurance

This insurance will pay for the damage of the property caused by fire and lightning.



DO YOU WANT TO KNOW MORE ABOUT **NATCCO MBAI?**

WRITE HERE:

3/F, NATCCO Bldg., 227 JP Rizal.,
Project 4, Quezon city

CALL:

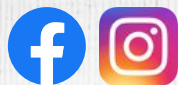
0998-594 6712;
0917-136-9046

EMAIL US:

natccombai@nmbainsurance.com

VISIT OUR WEBSITE:

www.natccombai.com



@natccombai